

12/11/78 [1]

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JB

THE WHITE HOUSE
WASHINGTON

11 Dec 78

The Vice President
Hamilton Jordan
Zbig Brzezinski

The attached was returned in
the President's outbox today
and is forwarded to you for
your information.

Rick Hutcheson

~~SECRET~~

6187



~~SECRET~~

THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

December 8, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Significant Actions, Secretary and Deputy Secretary of Defense
(December 2-8, 1978)

Voluntary Departure of DoD Dependents from Iran: Based on your decision, I have authorized transport at government expense of military and DoD civilian dependents to the U.S. or safe haven locations approved by CINCEUR. Our initial estimate is that about one-third of the approximately 1,600 DoD dependents in Iran will opt to leave immediately.

NATO Ministerial Meeting: This week's ministerial meeting of the NATO Defense Planning Committee was the most successful session I have attended. The Ministers approved the Airborne Early Warning and Control System (AWACS) program, reaffirmed the 3% goal for annual real increase in defense spending, and agreed on certain measures for follow-through on the Long-Term Defense Program adopted at last May's NATO Summit. Eleven nations signed the Memorandum of Understanding on a \$1.8 billion AWACS program, the largest common-funded project ever approved by the Alliance. Many of the ministers made clear to me that whether their countries stick with their announced defense budget increases will depend on what we do. Although no decision on the 1980-1984 infrastructure program was reached, I pressed for increased program levels to offset the effects of inflation and to allow us to fund key projects associated with the Long-Term Defense Program and the repositioning of U.S. equipment in Europe.

[REDACTED]

Meeting with Senator Stennis: Yesterday morning I met with Senator Stennis to discuss general defense issues facing the 96th Congress. Senator Stennis indicated that he would be supportive of our forthcoming supplemental budget request and would do all he could to see that it moved ahead. He again expressed concern about the quality of the all-volunteer force and said he believes that at some point we will be forced to go back to the draft. He said he cannot commit now to support SALT but will hear our case sympathetically; JCS views will weigh heavily, he thinks. He is likely to support a non-nuclear carrier, size not specified. He anticipates a heavy Republican push for higher defense spending; he himself wants to be sure that we do not spend wastefully.

Classified by SEC DEF

Declassify on 8 Dec 1998

Review on _____

Extended by 2-301 c.7.

Reason _____

~~SECRET~~

SANITIZED
E.O. 12358, Sec. 3.4
PER 6/1/92 DOD HCR M3-NLC-92-84
BY [Signature] NARS DATE 12/16/94

SEC DEF CONTR No. 00189

~~SECRET~~

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Nicaragua: On Tuesday Charles Duncan met with Mr. Adolfo Calero, the National Coordinator of the Authentic Conservative Party of Nicaragua, to hear his views on the prospects for peace and democracy. After reviewing the historical perspective of the current crisis, Mr. Calero expressed the view that United States leadership in the mediation process was expected by Latin Americans and welcomed by the Nicaraguan people. Mr. Calero believes that mediation offers the possibility of a peaceful solution; however, failure would increase the probability of renewed widespread violence in Nicaragua and Central America. He emphasized that Nicaraguans feel an affinity for the U.S. and Americans, and urged that the U.S. Government remain close to Nicaragua.

Anti-Fraud Efforts: I have established a high-level steering group, chaired by my Under Secretary for Policy, Stan Resor, to look into ways to improve our protection against fraud and waste, and to improve our performance in the investigation and prosecution of fraud cases. Initial efforts will focus on assessing potential weaknesses in computer pay systems; reviewing the level of resources being dedicated to crime prevention programs; reexamining audit priorities; and developing an incentive system for reporting weaknesses in administrative systems. I shall keep you advised of progress in this area.

Briefing to Spanish Government Officials: On Monday Dave McGiffert, my Assistant Secretary for International Security Affairs, briefed the Spanish government's Ad Hoc Committee on Coordination with NATO concerning the overall East-West nuclear balance and the status of nuclear activities in NATO. The Chairman of the Committee remarked that this was the first time the Spanish Government had been briefed on SALT prospects--a regular occurrence for our NATO defense partners--and said that future briefings would be greatly appreciated.

Letter from Herman Wouk: Herman, author of "Winds of War" and "War and Remembrance," is an old friend of mine and a wartime destroyer shipmate of Cy Vance. He attended one of my monthly dinners for leaders in business, labor, professions, and civic affairs, at which I talked about U.S.-Soviet competition and cooperation. This week he wrote suggesting that trusted principal military thinkers on each side find a way to exchange views privately--in a forum entirely separated from the competitive atmosphere of a negotiation--on the risks of the competition, of miscalculation, and how to reduce them. Though not a new thought, it is one that could be explored further with the idea of establishing a regular exchange of visits either specifically for that purpose or to be used as an umbrella for that purpose.

Harold Brown

~~SECRET~~

December 8, 1978

TO: President Carter
THROUGH: Rick Hutcheson
FROM: Ambassador Young
SUBJECT: U.S. Mission to the U.N. Weekly Activities,
December 1 - 8

Namibia

The UN Secretary General issued his report December 2 on the consultations which he had held with South African Foreign Minister Botha November 27-29. The report contained South African commitments to: (A) conclude its consultations with the Namibian parties concerned and communicate the results of the consultations to Waldheim by the end of December; and (B) retain authority over Namibia pending implementation of the UN settlement plan. The Security Council met briefly early in the week to consider the report. At the request of the African Group, Security Council consideration of Namibia was then suspended without any action taken, and the debate on Namibia was transferred to the General Assembly. The Africans asked for the transfer because they believe the Security Council would take no meaningful action during December and that the time was too critical for the UN to stand silent. The General Assembly Debate began on December 7.

Security Council Recommends Membership for Dominica

On December 6 the Security Council unanimously recommended to the General Assembly that the Commonwealth of Dominica in the Caribbean be admitted to membership in the UN. Admission will bring the total number of UN member states to 151.

Palestinian Day of Solidarity

Except for the West, there was good representation at the ceremonies commemorating Solidarity Day with the Palestinian People. Only Algeria among principal Arab states did not speak. The Egyptian Permanent Representative read a statement from Sadat giving the standard Egyptian position in defense of the Palestinians. According to participants, there were only a few critical references to Camp David, mainly from East Europeans, Iraq and Libya.

DECLASSIFIED

E.O. 12356, Sec. 3.4

PER W/ky shk RE MR-Nu 2-92-85
BY JS NARS. DATE 7/22/93

6185

THE WHITE HOUSE
WASHINGTON

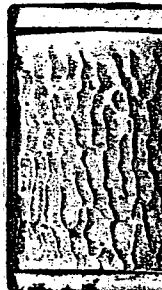
11 Dec 78

To Secretary Joe Califano

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

THE FIRST LADY
ARNIE MILLER



THE WHITE HOUSE
WASHINGTON

12-11-78

To Joe Califano

If possible, I
would like for Charlotte
Wiken to serve on
the Select Panel on
Child Health. She
has done an outstanding
job in Georgia.

J

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

11 Dec 78

To Secretary Joe Califano

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

✓ THE FIRST LADY
ARNIE MILLER

DEC 12 1978

R

madeline

FYT

✓ mfm
Return to Rick
Hutcheson

6196

THE WHITE HOUSE
WASHINGTON

11 Dec 78

The Vice President	Jody Powell
Hamilton Jordan	Jerry Rafshoon
Stu Eizenstat	Jack Watson
Tim Kraft	Anne Wexler
Bob Lipshutz	Jim McIntyre
Frank Moore	Hugh Carter

The attached was returned in the President's outbox and is forwarded to you for your information.

Rick Hutcheson

EYES ONLY

RE: CABINET SUMMARIES

Community WASHINGTON, D.C. 20506
Services Administration



MEMORANDUM TO THE PRESIDENT

December 8, 1978

Attention: Rick Hutcheson, Staff Secretary

FROM: Graciela (Grace) Olivarez, Director
Community Services Administration

SUBJECT: Weekly Report of Significant Agency Activities
(Week of December 4 - 8, 1978)

CSA Director Speaks at MALDEF Convention

On Wednesday, Graciela Olivarez, the Director of the Community Services Administration (CSA), spoke at the tenth annual meeting of the Mexican American Legal Defense and Education Fund (MALDEF). She is currently attending the Democratic Committee meeting in Memphis.

National Consumer Cooperative Bank Public Meetings

CSA has been coordinating one-day public meetings around the country this week to obtain public input regarding policies of the National Consumer Cooperative Bank. So far, meetings have been held in San Francisco, Santa Fe, Denver and Harrisburg. Today, a meeting is being held in St. Paul. Next week, meetings will be held in Boston, Omaha, Charleston, New Orleans and Memphis.

Domestic Violence Programs to be Coordinated

CSA has just finished sponsoring the first interdepartmental conference for deliverers of domestic violence programs funded by: ACTION; CSA; Health, Education and Welfare and the Law Enforcement Assistance Administration. The meeting, which was held in Cambridge, Massachusetts, was attended by representatives from the Federal agencies together with the Colorado Association for Aid to Battered Women, the Massachusetts Coalition of Battered Women Service Groups, the National Center of Volunteers Against Violence and the Center for Women Policy Studies. The groups decided to work together in developing and exchanging technical materials, conference and training manuals on domestic violence.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

December 8, 1978

MEMORANDUM FOR: The President
Attention: Rick Hutcheson

SUBJECT: Weekly Report of Major Departmental Activities

FHA Single Family Activity Increasing. FHA reports that in October, 59,600 single family applications were received. This figure represents an increase of approximately 40 percent over October of last year. Applications for the Graduated Payment Mortgage continued very strong. Over 10,000 applications were received in October, making it the highest monthly total since the program began.

Need for the 701 Program Confirmed. A just completed study of the recent history and relevance of the 701 Comprehensive Planning Assistance program for large cities shows, among other things, that the cut-off of direct 701 funding has reduced the level of comprehensive planning in over half of the cities surveyed. Further, the study revealed that planning activities picked up by Community Development Block Grant funding are short-term and targeted to specific areas and projects.

Additional Flood Insurance Program Improvements Begun. Reports that houses are still being built in flood plains has prompted the Federal Insurance Administrator to redirect the resources of FIA. Changes will include: in-depth technical assistance only to those communities with major flood problems and a significant number of structures and lives at risk; involving States and Regional Planning Commissions in technical assistance; and contracting with another Federal agency to supervise the contracts for flood plain mapping which will allow FIA staff to be more involved in technical assistance to communities.

National Children's Museum Grant Moves Toward Completion. On the basis of the promise of \$1 million in local matching funds the Secretary is proceeding with a \$1.7 million grant for the purchase of property and buildings in Northeast Washington, a Neighborhood Strategy Area. The museum, which will provide exhibits in the arts, sciences, humanities and technology that can be handled, tested, shaped and even worn by children, is expected to act as a magnet to attract persons of all economic levels, ages and backgrounds to a revitalizing neighborhood.

Jay James
Patricia Roberts Harris



Office of the Attorney General
Washington, D. C. 20530

December 8, 1978

Principal Activities of the Department of Justice
for the week of December 2 through December 8, 1978

1. "Los Angeles Revisited"

The Attorney General spoke Wednesday evening to the Arizona State Foundation in Phoenix, and Thursday noon to the Los Angeles County Bar Association, with the Board of Governors of both the California Bar and the American Bar Association in attendance. The latter audience was approximately the same to which the President had delivered his May 1978 speech on the duty of lawyers. The Attorney General told that audience that the President had given him a copy of that earlier speech and asked him to redeliver it as "Los Angeles Revisited!" In a serious vein, the Attorney General characterized the President's address as "an extortion to lawyers to do better," and reminded the lawyers that Canon 8 of the Code of Professional Responsibility enjoins all lawyers to "work to improve the judicial system." Attorney General's main address was a review of accomplishments during the last two years at the Justice Department, and a preview of projects for the future.

2. Veterans Preference Case

The Attorney General met Wednesday morning with representatives of several womens' organizations to discuss the Solicitor General's amicus brief in this case. The women understood the reasons for not withdrawing the brief. At the Attorney General's invitation they have submitted a legal memorandum urging certain modifications in the brief, and the Department is considering the merits of those suggestions as well as the procedural possibilities, if any, for supplementing the brief.

3. Wilmington 10 Brief

On Thursday, December 7, the U.S. District Court for the Eastern District of North Carolina granted the motion of the Civil Rights Division to submit its amicus curiae brief and its appendix analyzing certain evidence. The court also granted the motion made earlier by petitioners for disclosure of the so-called "amended statement," which had previously been withheld by the state courts.

4. Parole of Cuban Political Prisoners

On Thursday the Attorney General announced that he has authorized parole into the United States of the second group of former and present political prisoners from Cuba. The group included 70 prisoners along with 107 members of their families. They will be flown from Havana to Miami early next week aboard aircraft chartered by private Cuban exile groups in Miami.



THE SECRETARY OF THE INTERIOR
WASHINGTON

December 8, 1978

MEMORANDUM TO THE PRESIDENT

From: Secretary of the Interior

Subject: Major Topics for the Week of December 4

Jim McIntyre and I have resolved the 1980 budget cuts to the point that there will be no appeals procedure to you. The Interior budget for FY-80 will be 800 million below FY-79 base or a decrease of 13 percent. This will be a difficult posture and we will receive some criticism, but we can survive alright.

The "Street People" will be out of the Visitor Center by Saturday morning. The problem was with the District, but we now have identified other space that is usable. We have averted a confrontation and displayed compassion for the unfortunate without causing us any real problems.

Governor Mike O'Callaghan is about to go out of office. If you are considering him for any position, it would be great. If not, a phone call from you thanking him for his support would be appropriate. He has always helped us on the difficult issues.


CECIL D. ANDRUS

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

December 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *Ray*

SUBJECT: Major Departmental Activities December 4-8

Most of my activities this week have involved the budget. Given our discussion today I don't see any need to say anything further on this subject.



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

DEC 8 1978

MEMORANDUM FOR THE PRESIDENT

THROUGH: Rick Hutcheson

FROM: Brock Adams

SUBJECT: Significant Issues for the Week of December 4

Two handwritten signatures are present to the right of the memorandum header. The first signature, "Brock Adams", is written in a large, bold, cursive script. The second signature, which appears to be "Rick Hutcheson", is written in a smaller, more fluid cursive script.

The Energy Crisis and the Automobile - As I discussed with you on Monday, I spoke on Tuesday to the Detroit Economic Club and used the occasion to challenge the auto industry to look beyond the fuel economy standards we have set for 1985 and develop a new fuel-efficient engine. I met with the leaders of the Big Four and invited them to a conference in Washington early next year to discuss ways the industry and government could work together to build a new engine which will meet the fuel conservation demands of the future.

Reaction by the auto industry leaders was reserved, but all are willing to discuss the issue. Press reaction has been favorable. I also appeared on the Today Show on Thursday morning to reassert these proposals, and I believe the Administration will get good follow-up coverage on this.

The development of a new auto technology is the kind of issue which will ultimately require Presidential leadership, and it may be that you would want to consider addressing it in the State of the Union.

Federal Urban Highway Projects - I am attaching a copy of a recent New York Times article in which Governor Carey attacks the Federal process involved in approving or denying the West Side highway replacement which would run between lower Manhattan and 42nd Street on the West Side of New York City.

I have written to Charlie Warren and Doug Costle and told them that this was approved by my predecessor, and that after extensive review, I reaffirmed the decision when the Governor, the Mayor, the business community, labor groups, City Council, and just about everyone else stated that this was what they wanted and pledged over five billion dollars in urban renewal initiatives for the City.

The City of New York considered this a top priority because there had been indications that institutions in lower Manhattan might leave if the transportation were not improved. Last month I revisited the project, and it consists of a hanging steel structure which has partially collapsed and is creating an enormous traffic snarl on the West Side.

I have previously discussed this with Doug Costle, Secretary Harris (HUD wishes to do housing development in addition to the private initiatives), and Jack Watson. I believe Governor Carey has a good point in saying that a regional director of EPA should not be able to block this project before a third Federal agency (the Corps of Engineers) and a fourth agency (the State Environmental Board).

I have alerted you to this because you will probably hear about it from Governor Carey or David Rockefeller (representing the business community), and I personally have taken the position that we should have a one-stop approval or disapproval of these kinds of projects. This is one of the projects that I approved which was recently criticized in a letter to you from various environmental groups. I want to assure you that I spent a great deal of time on the EIS and convinced myself that the fish life in the lower Hudson River would not be affected, and there would be less air pollution from rapidly moving freeway traffic than from the congestion on the city streets.

Inflation and Railroad Rates - On December 6, the Department appeared before the Interstate Commerce Commission to support the recently requested railroad general rate increase. We supported this increase because, after my intervention and discussion with Alfred Kahn's staff, the railroads agreed to comply with your inflation guidelines by reducing their proposed rate increase.

Relations with Russians on Transportation - I met with Soviet Minister of Railway Transport I. G. Pavlovskiy and Soviet Ambassador Dobrynin on December 6 to review the work being carried out under the U.S.-U.S.S.R Agreement for Cooperation in the Field of Transportation. This work contributes to the solution of urgent technical and operational problems and the development of railroad transport in both countries and should be continued and broadened. The Minister, after expressing his appreciation for the invitation to visit the United States, extended an invitation for me to visit the Soviet Union in 1979.

Attachment

WESTWAY PROJECT SEEMS STALEMATED

Carey's Appeal to Washington for the Highway Draws a Rebuff

By STEVEN R. WEISMAN

Special to The New York Times

WASHINGTON, Dec. 5 — Eight months after he had persuaded Mayor Koch to accept the Westway, Governor Carey remains unable to win the necessary approval for the \$1.16 billion highway project from Federal and state environmental officials.

A bitter stalemate has developed between the Governor and Eckardt C. Beck, regional administrator of the Federal Environmental Protection Agency, in which a frustrated Mr. Carey recently called Mr. Beck a "lunkhead" and then began a campaign to appeal to Washington over Mr. Beck's head.

A spokesman for Douglas M. Costle, head of the Environmental Protection Agency here, said today that Mr. Beck's opposition to the Westway was "strictly a regional problem" and that he had no intention of overruling the New York administrator.

A statement by Mr. Beck responded to Mr. Carey's actions by saying that he was simply trying to carry out Federal environmental standards as he is required to do by law. "I'd rather be a lunkhead than a convict," Mr. Beck said.

Mr. Carey's pro-Westway campaign is nonetheless likely to continue, with Mr. Carey hoping to increase the political

Continued on Page B5, Column 1

Stalemate Blocking the Westway

Continued From Page A1

pressure on Federal officials now that he has achieved his own re-election.

The skirmishing has even taken on comic overtone, with Mr. Carey proposing a scenic boat ride along the Hudson River's Manhattan shoreline to convince Mr. Costle that there is very little along the shore that deserves preserving. Last week Mr. Carey scheduled, and then abruptly canceled, the private boat tour when it turned out that Mr. Costle was willing to make the trip as a courtesy, but only at 4:30 P.M.

By that time, Mr. Carey's aides reasoned, the sun would have set over New Jersey. They suggested privately that Mr. Costle did not want to view any evidence that might undermine his agency's position, and that he deliberately scheduled the trip for sundown Thursday, when the official time for sunset was 4:29 P.M.

Environmental officials suggested meanwhile that, on the contrary, Carey aides canceled the trip to avoid being embarrassed by Mr. Costle's disembarking only to support Mr. Beck.

At issue in the Westway dispute are two permits that must be granted before the 4.2-mile sunken highway can be built: one from the Army Corps of Engineers and one from the New York State Department of Environmental Conservation. In both cases the Federal environmental agency plays a key advisory role and in both cases the agency has recommended against granting the permit.

A year ago Peter A. A. Berle, the state's Environmental Commissioner, announced that his agency had rejected the request for a permit on grounds that the highway had not been shown to comply with air-quality standards. But he left the door open for highway proponents to bring new facts to bear, and many state officials have been hopeful that they could win eventual approval from Mr. Berle's office.

Question of Traffic Patterns

Since then the state agency has held new hearings, at which proponents of the highway have sparred with opponents, including Mr. Beck's office, over projections of traffic patterns in Manhattan in

the next 20 years, with or without the Westway.

"We don't think Chris Beck is genuinely trying to understand Westway," said William Hennessy, the state Transportation Commissioner and Mr. Carey's leading advocate for the highway project. Mr. Hennessy charged further that Mr. Beck had been trying to get the state to scrap the highway and to trade in the Federal highway money for use for mass-transit projects. Instead, the Commissioner said Mr. Beck should let the state decide how it wants to spend the money and then simply judge whether the highway meets environmental standards.

Mr. Beck said in response: "The E.P.A.'s job in the Westway project is to make sure all the environmental laws and regulations that apply are fully met. Under these laws the sponsors must show that the project will not damage a crucial aquatic resource, the Hudson River, and will not prevent New York City from achieving the clean-air standards needed to protect public health. They have not yet done so."

Churning Up of Sediment

The second required permit, from the Army Corps of Engineers, is in dispute primarily over the question of whether the Westway will damage potential migratory or breeding grounds for Tom cod, shad, sea bass and other Hudson River fish. Other questions have to do with potential hazards from flooding and the churning up of poisonous riverbed sediment.

Federal environmental officials held one of a series of meetings today with highway proponents at the regional headquarters of the Army Corps of Engineers at 26 Federal Plaza in Manhattan. The final decision for the highway on the second permit is to be made by the Corps.

Still another stumbling block to the Westway concerns negotiations over the Transportation Control Plan, a long-term strategy that the city and state must put into effect to achieve Federal air-quality standards in the next several years. Critics of Westway have charged that Governor Carey, by not dropping the highway in favor of mass-transit projects, is not doing enough to assure the use of mass transit as a way of meeting Federal air standards.

1
THE WHITE HOUSE
WASHINGTON

11 Dec 78

To Secretary Michael Blumenthal

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson





THE SECRETARY OF THE TREASURY
WASHINGTON 20220

F.Y.I.

cc Mike

December 8, 1978

C

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. IMPLEMENTATION OF NOVEMBER 1 MONETARY PROGRAM

The first sale of foreign currency denominated Treasury notes pursuant to the November 1 program will take place next week in Germany. Treasury will sell 2.5 to 3 billion DM notes (U.S. \$1.3 - 1.6 billion) with maturities of three or four years, on a subscription basis to residents of Germany. There appears to be broad public interest in the issue, and we expect that the interest rate on the bonds will be approximately the same as that paid by the German government. Planning is proceeding for a Swiss franc offering in Switzerland in January 1979 and we are giving consideration to yen borrowing in Japan in 1979.

2. THE DOLLAR

The European Monetary System (EMS) negotiations in Europe and the Iranian situation contributed to some market nervousness, and the U.S. intervened moderately early in the week when the market was affected by speculation on a revaluation of the DM. Speculation that significant rate changes will result from EMS implementation has now faded, and the markets are reasonably steady. After declining slightly on Monday, the dollar has moved in a narrow range.

3. REAL WAGE INSURANCE

Initial Congressional consultations were undertaken this week on Real Wage Insurance with twelve members of the Ways and Means Committee. It is too early to assess prospects, but it is clear that we will have to address their concerns about complexity, budget exposure, equity, and effectiveness if we are to succeed in rapid enactment of the legislation.

Eggedite

4. CLEVELAND

The City of Cleveland is presently experiencing significant financial problems. Its credit rating has been downgraded by one rating agency and suspended by another because of insufficient reliable financial information, and the bank regulators (Comptroller, FDIC, and Federal Reserve) have classified existing bank loans to the City as sub-standard. Cleveland has \$15 million of short-term notes due on December 15, and it may default on these notes.

We and others in your Administration have met with officials of the City, and while we have been sympathetic, we have informed them that there are no existent federal programs through which emergency fiscal assistance can be provided. There may nevertheless be requests or demands for federal assistance. Should demands for federal assistance occur, we expect to reiterate that (i) there is no statutory authority for emergency fiscal assistance and (ii) that under our federal system the primary responsibility for the City rests with Cuyahoga County and the State of Ohio, which have sufficient resources to deal with the problem.

We do not expect that a Cleveland default would have any significant impact on the financial markets.



Robert Carswell
Acting Secretary

THE WHITE HOUSE
WASHINGTON

11 Dec 78

To Secretary Bob Bergland

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson





DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

cc Bob
Q

December 8, 1978

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

FEDERAL TIMBER BIDDING. USDA General Counsel is preparing an official request to the White House allowing the Agriculture Department to declare ineligible for bidding on Federal timber any company that violates Presidential wage and price guidelines. I don't know if extending guidelines to Government sales as well as Government procurement would be applicable to other departments.

LOWER FARM PRICES. In first decline since August, farm prices decreased 1-1/2 percent from mid-October to mid-November.

MEAT PRODUCTION/PRICES. Total 1979 meat supplies to be about 1978 level with larger broiler production offsetting lower red meat production. Stronger consumer demand for red meat may raise retail beef prices 10-14 percent above 1978; pork could be up 2-5 percent.

USSR GRAIN IMPORTS. Soviet purchases of U.S. grain in 1979 will "shrink considerably" according to Soviet officials during new session of Soviet-American trade talks. Record Soviet grain harvest of 235 million tons this year.

RARE II. Announcement of RARE II Final Environmental Statement set for January 4, 1979.



BOB BERGLAND

THE WHITE HOUSE
WASHINGTON

11 Dec 78

To Secretary Joe Califano

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson





THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

December 8, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report on HEW Activities

- Fraud and Abuse Conference: Your speech at the HEW Fraud and Abuse Conference next Wednesday will provide an excellent opportunity for you to emphasize that better management of government programs is your own issue, and should be a Democratic Party issue. Since we have been in office, HEW has done more in this area than during its entire 25-year history.
- Immunization Conference: On Tuesday, Mrs. Carter will participate in the opening of our Conference on Childhood Immunization. Her presence will help focus attention on the progress we have made since you directed me to launch this initiative in April 1977, and will help dramatize the needs which are still unmet.

Inverte
to Mrs
Burpore

We are bringing together elected officials, State and local health officials, school teachers, union representatives, and public interest groups to help reach our three goals:

- To insure that 90 percent of the nation's children are immunized by October 1, 1979;
 - To eliminate indigenous measles by October 1, 1982;
 - To establish a permanent system to provide comprehensive immunization for all new-born children.
- Budget: As significant as our differences with OMB over the budget mark is our fundamental difference over strategy. They would achieve the low mark

Page 2

by cuts in more than 200 discretionary programs, which I believe will undercut Presidential commitments and create an impossible environment on Capitol Hill for an unlikely one-shot savings. We would make about 5 - 10 changes in entitlement programs, which provide fewer fights and continuing year after year savings, and which avoid the necessity of damaging virtually every client group of HEW.

← chances of success?

- Title IX: My Wednesday announcement of proposed policy interpretations on the issue of sex discrimination in intercollegiate athletics--an item in last week's report--was accompanied by an announcement of a proposed amendment to delete a section of the Title IX regulations which had the Federal government examining dress codes and hair length codes of schools. This is an issue best left to schools and local communities and is an example of our efforts to focus on the important issues. ← Good to find more of these
- Catholic Educators: I met with twenty leading Catholic educators (including all but one of those who met with you) this week to discuss our education policies as they affect non-public schools. They expressed anger and dismay with this Administration's actions--or non-actions--to assist parochial schools. They will renew the battle for a tuition tax credit with the 96th Congress. It is important that our budget resolutions with respect to student financial aid programs not give them additional ammunition. Incidentally, it became apparent during the meeting that Senator Moynihan is fanning the flames.
- Higher Education Desegregation: We have finally reached agreement with Arkansas and Oklahoma, but problems are developing with Georgia, Virginia and North Carolina. I am giving these issues my personal attention and hope to work them out, but there will be a few flaps along the way.

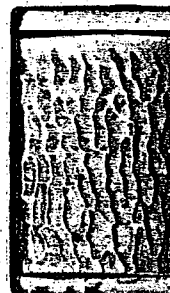

Joseph A. Califano, Jr.

THE WHITE HOUSE
WASHINGTON
11 Dec 78

To Secretary Juanita Kreps

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson



THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

*cc Juanita
cc: Give Ray
Marshall as a letter
to show later*

December 8, 1978

FYI

REPORT TO THE PRESIDENT (SUPPLEMENTAL)

I believe our Moscow trip was decidedly worthwhile, and constitutes a modest step forward in our overall relations. We placed squarely on the record for the Soviets your desire to expand trade and cooperation in general. At the same time, we repeated that significant improvement in trade and economic cooperation remains dependent upon improvement in our overall relations.

There was a general consensus among Americans and Soviets that your decision to authorize approval for the outstanding oil/gas cases and to be forthcoming on the other major projects was a positive contribution to improving prospects. Notwithstanding the repeated Soviet emphasis on the need to remove legislative impediments to trade, we were left with the impression that our trade prospects for this year are on the upswing.

I request an appointment early next week to report to you personally, with Mike if he is back in Washington.


Juanita M. Kreps

THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

December 8, 1978

FYI

REPORT TO THE PRESIDENT

As reflected in my report of November 17, the immediate reactions of the business association leaders to your remarks at our November 16 meeting were very positive and encouraging. Subsequently I asked them in writing to follow up with their members on specific actions which would expand the spirit of business cooperation and support generated by this meeting, using the multiplier potential inherent in the key national business associations which they represent.

I am now pleased to report that their responses to date have been very constructive and supportive. These business organizations want your anti-inflation program to be successful. Their concerns and constructive comments deal essentially with factors inherent in any program involving standards that cut across industries and firms facing different cost and price situations. Firms with major price increases and healthy profit margins during the base period are affected quite differently than are firms which, for a variety of reasons, had both low price increases and low profit margins over the same base period. The responses also indicate that the continued support by the business sector will be strongly influenced by Administration actions to reduce inflationary pressures which stem from government policies.

Specific actions which have been taken include the following:

- o Don Seibert, Chairman of the Business Roundtable Inflation Task Force, has asked all Roundtable members to respond positively, and as quickly as the situation permits, to your Fortune 500 letter requesting explicit commitments. As you know, the Business Roundtable includes approximately 190 key chief executives representing all major sectors of the business community.
- o As Chairman of the Board for the National Retail Merchants Association, Seibert has also requested the Association's more than 4,000 corporate members to send you positive letters of commitment to the Administration's price standards. In the letter, he points out that a voluntary deceleration program is a necessary step and preferable to any mandatory government controls.
- o Herbert Markley, Chairman of the Board, National Association of Manufacturers, has written to the chief executives of the Association's 10,139 member firms urging them to send you a personal letter of encouragement indicating their intention to comply with the Administration's price standards.

o John Perkins, President of the American Bankers Association, has written to the chief executives of the Association's nearly 14,000 member banks urging them to declare to you in writing their personal intention to comply with the Administration's inflation deceleration standards. Perkins points out in his letter the banking community's tradition of responsible leadership, calling the present situation a major opportunity to continue that tradition.


o Prentis Hale, Chairman of the Board, American Retail Association, has written to the Association's 32 national retail federations, 50 state retail associations, and supporting company members, representing over a million retail establishments, urging that they respond positively to your request for explicit commitments to the Administration's anti-inflation standards.

We expect the individual firms contacted by these organizations to respond quickly after the COWPS final regulations are issued next week. The chairmen of several large firms, such as John de Butts and Tom Murphy, have already made explicit and highly publicized commitments to meet the price deceleration standard. In addition, the vast majority of the 200 firms that have already responded to your letter to the Fortune 500 are supportive.

While you have already been provided copies of some of these association letters, a complete set is attached. Fred Kahn, Anne Wexler and I plan to meet with this group during the Business Council meetings next week to plan further follow-up actions.

It is clear that the national business associations which we have brought together in this effort have responded in an exceptionally cooperative manner. I believe they constitute a particularly effective forum for future consultation and communications between the Administration and the American business community.

In this context, it is important for us to carefully consider COWPS' recommendations for a substantial change in the profit margin test. While there are arguments for changing the treatment of profits, we must consult closely with the business community to ensure that such a change will not jeopardize the considerable support we now have from them.


Juanita M. Kreps

Attachments



The Business Roundtable

Thomas A. Murphy
Chairman

Clifton C. Garvin, Jr.
Cochairman

Reginald H. Jones
Cochairman

Charles J. Pilliod, Jr.
Cochairman

NEW YORK
405 Lexington Avenue
New York, New York 10017
(212) 682-6370

G. WALLACE BATES
President

JAMES KEOGH
Executive Director—Public Information

RICHARD F. KIBBEN
Executive Director—Construction

WASHINGTON
1801 K Street, N.W.
Washington, D.C. 20006
(202) 872-0092

JOHN POST
Executive Director

November 22, 1978

TO MEMBERS OF THE BUSINESS ROUNDTABLE:

By now most of you probably have received a letter from the President which was sent to the Fortune 500 earlier this week (see attachment). In his letter, President Carter pledges continued government actions to wind down inflation. These actions include veto of inflationary spending measures and close scrutiny of government regulations that have an inflationary impact.

The President and key figures in his Administration have continued to state in the strongest terms their pledges not to seek mandatory wage and price control authority.

The President is now seeking explicit and so far as possible, unqualified commitments, from individual companies to comply with the price standards. Meanwhile, meetings are underway at the Council on Wage and Price Stability to find solutions to problems at industry and company level. We are informed that further details of the Administration's program will be forthcoming early in December. Because the issues involved are very complex, varying not only from industry to industry, but from company to company

POLICY COMMITTEE:

- Thomas A. Murphy, *Chairman* • Clifton C. Garvin, Jr., *Cochairman* • Reginald H. Jones, *Cochairman* • Charles J. Pilliod, Jr., *Cochairman*
- Ray C. Adam • Robinson F. Barker • John F. Bookout • Fletcher L. Byrom • Frank T. Cary • John T. Connor • Justin Dart • John D. deButts
- James H. Evans • James L. Ferguson • Lewis W. Foy • Richard L. Gelb • W. H. Krome George • John P. Harbin • Edward G. Harness • John D. Harper
- Shearon Harris • Robert S. Hatfield • Raymond H. Herzog • Gilbert W. Humphrey • Ralph Lazarus • Ruben F. Mettler • Roger Milliken • Lee L. Morgan
- David Packard • Donald S. Perkins • Donald T. Regan • John J. Riccardo • Richard A. Riley • David Rockefeller • Donald V. Seibert • Irving S. Shapiro
- Richard R. Shinn • George P. Shultz • William S. Sneath • Edgar B. Speer • George A. Stinson • Edward R. Telling • O. Pendleton Thomas
- Rawleigh Warner, Jr. • William L. Wearly • Richard D. Wood • Walter B. Wriston

within an industry, it seems obvious that each company must make its own decision in this area. Nevertheless, we would urge Business Roundtable companies to respond positively to the President's request. We would further urge that you do this as quickly as your situation permits.

Sincerely,



Donald V. Seibert
Chairman,
J. C. Penney Co., Inc.

Chairman,
The Business Roundtable
Inflation Task Force

cc: Washington Representatives
Public Information Committee
Labor Management Steering Committee

November 29, 1978

Dear NRMA Member:

President Carter is actively seeking support from the business community for the Administration's voluntary program to restrain inflation. He has written to each "Fortune 500" company to request a firm commitment to adhere to the price standard under the program, (a copy of that letter is enclosed). In addition, the Administration has asked major business organizations, including NRMA, to encourage their member firms to make a similar commitment, in the form of a letter addressed to the President, no later than December 20.

The price standard under the Administration's program asks each firm to reduce its rate of price increases in the fiscal year beginning with the fiscal quarter just prior to October 2, 1978, to half a percentage point below the average rate of price increase in 1976 and 1977. Compliance systems for retailers are currently being developed by the administration with industry participation and should be promulgated sometime in December.

In a policy paper adopted by NRMA's Board of Directors in June 1978, the Association made the following statement to the Administration:

"The harmful effects of inflation are well known and need no repetition here; suffice it to say that the most recent CPI figures, which raise the possibility of a return to double-digit inflation, provide a grim prospect for the country. NRMA believes that voluntary restraint on the part of business and labor can be helpful in controlling inflation in the areas of both prices and wages and that such a voluntary program is preferable to any mandatory government controls. We are in complete agreement with the often expressed

(over)

EXECUTIVE OFFICERS

Chairman of the Board
DONALD V. SEIBERT
Chairman and Chief Executive Officer
J. C. Penney Company, Inc.
New York, New York

First Vice Chairman of the Board
DONALD B. SMILEY
Chairman of the Board
R. H. Macy & Co., Inc.
New York, New York

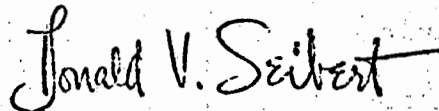
Second Vice Chairman of the Board
ROBERT E. DEWAR
Chairman of the Board and Chief Executive Officer
K mart Corp.
Troy, Michigan

President
JAMES R. WILLIAMS
NRMA
100 West 31st Street
New York, New York

view of leading economists that restoration of the mandatory controls of the early 1970s would be ill-advised and might cause serious harm to the economy; and we note that the President has frequently spoken out against the reinstitution of mandatory controls. The voluntary deceleration program is a necessary step and has the whole-hearted support of the membership of NRMA."

Although each NRMA member firm will, of course, need to evaluate its own ability to comply with the Administration's price standard, the Association urges you to reinforce NRMA's formal endorsement of voluntary price deceleration by sending the President a positive letter of commitment on behalf of your own firm.

Sincerely,



Donald V. Seibert
Chairman of the Board
J. C. Penney Company, Inc.

DVS:dad
enclosure

Chairman of the Board
National Retail Merchants
Association

SAMPLE

December 1, 1978

Mr. James G. Affleck
Chairman, President and
Chief Executive Officer
American Cyanamid Company
Wayne, New Jersey 07470

Dear Jim:

President Carter has recognized inflation as the nation's number one problem and he has pledged his own personal commitment to doing everything possible to remove those causes of inflation which stem from government policies and action.

He has appealed to the business community to do its part to curb inflation. As one of our members who is listed within the Fortune 500, you should have received a personal letter from The President asking for your support. We urge you to respond positively to his appeal.

It is our hope that your response to The President will have been sent by Friday, December 8. A copy of any communication to The President should be sent to Juanita Kreps, Secretary of Commerce, with a copy to me at NAM Headquarters (1776 F St., N.W., Washington, DC 20006).

Herbert Markley

Note: This letter was sent to 459 of the Fortune 500. This represents the NAM members among that group.

SAMPLE

December 4, 1978

Dear Member:

President Carter has recognized inflation as the nation's number one problem and he has pledged his own personal commitment to doing everything possible to remove those causes of inflation which stem from government policies and actions.

He has appealed to the business community to do its part to curb inflation. The President's appeal to the Fortune 500 (copy attached) takes the form specifically of a request to comply with the price standards set by the Council on Wage and Price Stability. I would urge that, if you can conscientiously do so, you send a personal letter of encouragement to The President indicating your intention to comply.

If you believe that the formulas for the price standard can be improved, as to workability and effectiveness, you should communicate your views to The President. Either way, you will be performing a constructive service that supports The President's anti-inflation effort.

It is our hope that your response to The President will have been sent by December 20. A copy of any communication to The President should be sent to Juanita Kreps, Secretary of Commerce, with a copy to me at NAM Headquarters (1776 F St., N. W., Washington, DC 20006)

Herbert Markley

Note: This letter was sent to 9,680 NAM members that are not members of the Fortune 500.

Alert from the President

AMERICAN
BANKERS
ASSOCIATION

1120 Connecticut Avenue, N.W.
Washington, D.C.
20036



PRESIDENT
John H. Perkins

President
Continental Illinois National Bank
and Trust Company of Chicago
Chicago, Illinois 60693

November 30, 1978

Dear Fellow Banker:

We bankers now have the opportunity to exercise conspicuous and needed leadership in an area that is surely uppermost in all our minds: bringing inflation under control.

Vigorous measures by bankers that are voluntarily taken now would serve two purposes. First, they would help the nation return to more stable economic conditions; and second, they would provide evidence for ABA's continued arguments that American business and banks can be trusted to comply voluntarily with the intent and spirit of laws without the need for excessively detailed regulations and controls.

On November 16, Willis Alexander and I discussed this issue with President Carter, his inflation advisor, Alfred Kahn, Commerce Secretary Juanita Kreps, and Stuart Eizenstat, as well as other industry and Administration leaders. During our meeting, the President made it clear that he sincerely believes the success or failure of his anti-inflation program will be the most crucial test of his leadership. He stressed that the program will not succeed without getting at the basic fiscal, monetary and regulatory problems. This must be combined with the personal and corporate commitment of American business, banking and industrial leaders. I believe bankers should be among the first to make that commitment.

The President's anti-inflation effort appears to focus on three facets of the inflation problem: the economic, the political and the psychological. The economic aspects are well understood by bankers. The Administration is fully aware of the political problems raised by any sustained effort to lower the budget deficit, exercise monetary restraint, and reduce inflationary regulations.

But the President's intent is clear, as is his understanding that in the long term, the anti-inflation program can only succeed through basic fiscal and monetary restraint. Meanwhile, our expectations of continued inflation tend to become a self-fulfilling prophecy. Perhaps the only short-term way to break out of these expectations, therefore, is through a voluntary program of wage and price deceleration which gives the basic restraints time to work. This will also provide time to focus on the problems of excessive and costly regulation.

(over, please)

We do not have to tell our customers about the importance of this fight. A recent Harris poll indicated that 63 percent of the American people support the Administration's anti-inflation effort -- and more than half understand that it will take time for the program to work. Even the most questioning economists have expressed some optimism as to the potential effectiveness of the total program if everyone supports it and the effort is sustained over time.

We bankers can now have a significant impact on the root causes of inflation.

Commerce Secretary Juanita Kreps has requested that I ask you to write to President Carter explaining how your bank will support this effort to bring inflation under control. Your letter should be sent by December 20 to President Jimmy Carter, The White House, Washington, D.C. 20500. Please send a copy to me at ABA.

As Secretary Kreps said, "No one in or out of government has developed all the answers on ways of reducing inflation." ABA has now established a liaison with the White House and the Council on Wage and Price Stability for two basic reasons. The first is to get initial and on-going banker input into the development of the program as it applies to banks. The second is to assist bankers in understanding and complying with the anti-inflation effort.

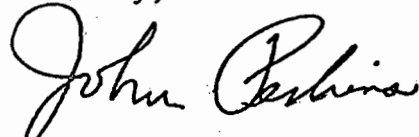
If you have questions concerning prices, contact Dr. Charles Hoffman, associate director of ABA's Economic and Financial Research Division (202-467-4014). For questions on wages, contact Daniel Flynn, assistant director of ABA's Bank Personnel Division (202-467-6322).

I recognize the very real political and economic problems in implementing this program, and I share the concerns that have been expressed as to where such a program might lead. Nevertheless, it is a comprehensive effort to bring inflation under control -- an effort we need to support to see if we can, in fact, get at this overriding problem of inflation.

I urge you to declare your intention to comply with the inflation deceleration guidelines. The collective impact of banker support significantly improves our chance of success in slowing the wage and price spiral.

For generations, bankers have provided responsible leadership. The opportunity to carry on that tradition is now ours.

Sincerely,



John H. Perkins

AMERICAN RETAIL FEDERATION

INTERNATIONAL BUILDING
SAN FRANCISCO, CALIFORNIA 94108

ST. MARY'S SQUARE
(415) 981-5440

November 29, 1978

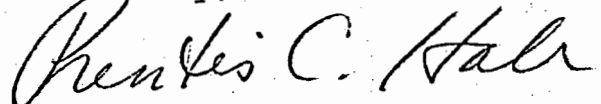
Sent to all ARF Corporate members, State and National Association Executives.

You have all read of the President's anti-inflation program, and his call to business to join in efforts to wind down inflation. The President and his policy advisors continue to insist the program will remain voluntary and state in the strongest of terms the pledge not to seek mandatory controls.

The President is seeking explicit commitments from industries and individual companies to comply with the voluntary price standards outlined in the program. For our industry, the varied means of meeting the requested price deceleration is very complex and retailers are meeting with Council on Wage and Price Stability officials seeking to devise methods which meet the standards without creating greater administrative costs. Obviously, each association and each company must make its own decision, but I urge you to respond positively to the President's request.

Enclosed is my letter to the President, the President's letter to business and a telegram from Secretary Kreps. Note the dates by which they seek response.

Sincerely,



Prentis C. Hale
Chairman of the Board

THE WHITE HOUSE
WASHINGTON

11 Dec 78

For the Honorable Jay Solomon

The attached was returned in
the President's outbox today
and is forwarded to you for
your information.

Rick Hutcheson



cc. Jay
C

Administrator

December 8, 1978

MEMORANDUM FOR THE PRESIDENT

THRU: Rick Hutcheson

SUBJECT: Weekly Report of GSA Activities

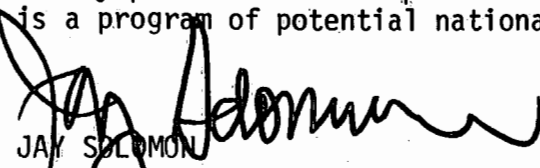
Fraud Investigations Continue

As part of our campaign to straighten up the systems and management indicators at GSA, we have approached the Big 8 accounting firms and asked them each to loan us two of their top people for a period of one year to assist us in evaluating our progress. We will begin by looking at our in-house auditing, inventory controls and cash management systems. The responses have been favorable. We have also asked 15 law firms to loan us two people each to help on the Inspector General's staff. It appears we will have a favorable response to this as well. I hope that an immediate decision will be made on the selection of the Inspector General so that work can be carried on without interruption at GSA. We are severely hampered in our investigations due to the absence of subpoena power, and the appointment of even an Acting Inspector General would alleviate this. The appointment of an Inspector General will also send an important message to the employees of this agency.

Community Gardening

We have recently undertaken an inventory of the 2700+ buildings we maintain in an effort to identify those with adjoining open space in locations near residential areas. We hope to use this open space, in addition to parcels of surplus real property slated for disposal, to initiate a community gardening program. Our intention is to find local groups - both public and private - with prior experience in community gardening to run similar programs on these sites. Community gardening is a particularly appropriate way of opening federal facilities for use by the public. Some of the benefits are energy savings - direct and indirect; it is anti-inflationary and will also cut down on GSA maintenance costs; it responds to community needs by providing fresh, nutritious food and an enriching recreational experience and it injects a very positive federal presence at the local level. I feel that this is a program of potential national significance.

Good


JAY SOLOMON
Administrator



United States
Environmental Protection Agency
Washington, D.C. 20460

December 8, 1978

The Administrator

REPORT TO THE PRESIDENT

FROM: Douglas M. Costle

This week there were no actions of sufficient
significance to call to your attention.

A handwritten signature, likely of Douglas M. Costle, is written in the center of the page. The signature is stylized and cursive, with a large initial 'D' and 'C'.

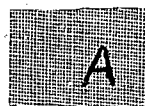
THE WHITE HOUSE
WASHINGTON

December 6, 1978

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Tennessee-Tombigbee Project

Attached is Secretary Cliff Alexander's response to your note concerning the Tennessee-Tombigbee Project. There do appear to be serious economic problems with the project, and perhaps inadequate authorization. The Corps also appears to have misled the public and the Congress in 1976 about project costs.

However, these issues are the subject of litigation and the project's deficiencies were apparent when your original decision to proceed with the project was made. I think it would be extremely unwise to reopen an administrative review of the project. We should await the outcome of the pending lawsuit. If the plaintiffs prevail on the authorization questions, however, we will be faced with a difficult situation because project proponents will seek our support for additional authorizing legislation.



TRUE COPY

5 December 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Tennessee-Tombigbee Waterway Project

You asked for my comments on allegations that the Corps of Engineers used incorrect or misleading factors in assessing the advisability of the Tennessee-Tombigbee project. You also asked that I provide those comments privately.

Since I am now on Army business in Europe, I have asked Deputy Under Secretary Blumenfeld to hand-deliver this message to Stu Eizenstat. If you wish, I would be pleased upon my return to give you further thoughts in person.

The history and facts in this case are enormously complex, making a short answer to your implied question difficult. But a short answer would be "yes". For a number of years prior to the presentation of the FY 1977 budget request, the Corps reported benefit-cost information on the Tennessee-Tombigbee based on contemplated work which was beyond the scope of the authorized project. (Beginning with the 1977 budget submission, the Corps revised its presentation, and has since shown two benefit-cost ratios -- one for the authorized project and another for a more extensive and not-yet-authorized system improvement involving further work at and below the southern terminus of the currently authorized project.)

Benefit Estimates

The economic reanalysis underlying the current benefit-cost estimates appears no more questionable than the analysis underpinning numerous projects now at various stages of construction. The defects that exist illustrate perfectly the need for our new water policy, with its mandate for tightening, standardizing, and independently monitoring estimation procedures.

Cost Estimates

Allegations center on the \$815 million cost estimate presented to Congress in January, 1975 hearings on the FY 1976 budget, versus the \$1,360 million submitted a year later in connection with the FY 1977 budget. The decision on when to report imminent cost growth could have gone either way without violating procedures which have since been tightened. The decision was made to report the lower figure in FY 1976 testimony, pending a scheduled update of benefits. Doing so avoided possible embarrassment to both the Corps and the Congress, and thereby continued momentum toward project completion.

Conclusions and Indicated Actions

I do not believe the Corps sought to mislead Congress on this project. I do believe the Corps was a willing partner to powerful Congressional and regional interests who sought its construction, at a time when countervailing Administration pressure for sound national decisions was absent.

The overriding need demonstrated by the Tenn-Tom experience is for rapid implementation of your new water policy to prevent situations like this from recurring.

It should be noted that the Tenn-Tom's weak economics were evident at the time of the "hit list" review. Reversal now of the decision then to proceed (based largely on strong local support and sunk costs, and employment opportunities, particularly for minorities) would generate enormous opposition. Even if a new reanalysis showed an even more marginal project, your announced policy is not to apply tightened project analysis/selection criteria to projects already in construction.

The current litigation will test, at a minimum, the issue of adequacy of authorization. An evidentiary hearing is set for January 3. Issues relating to benefit-cost estimates and EIS adequacy are also pending.

Clifford L. Alexander, Jr.
Secretary of the Army



THE WHITE HOUSE

WASHINGTON

11-29-78

To Sec Clifford Alexander

Please comment to me
privately concerning allegations
that the Corps of Engineers has
used incorrect or misleading
factors in assessing the advan-
tability of the Tennessee-Tombigbee
project.

Be concise & candid.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

12-11-78

NAACP Benj Hooks - Mary Bush Wilson

Civ Rts reorg #1 13 → 1 (EEOC)

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D.C. representation

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Banks (Minority)

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Housing

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New facilities in central cities
> Congress attacking
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THE WHITE HOUSE
WASHINGTON
December 8, 1978

Cy

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*
SUBJECT: Cabinet Meeting;
Monday, December 11, 1978;
Proposed Agenda

All members of the Cabinet are expected to be in attendance with the exception of Secretary Vance who will be represented by Deputy Secretary Warren Christopher.

Foreign Issues

You may wish to have the following international issues discussed by Warren Christopher:

1. Iran
2. Middle East Negotiations
3. Rhodesia

In addition, you might ask the Attorney General to brief the Cabinet on steps he is taking to admit an increased number of refugees from Vietnam.

Domestic Issues

1. Status of preparation of the FY 1980 budget and any general guidance you may wish to give the Cabinet on the subject.
2. General review of the anti-inflation program:
 - ° Kahn - overall status report and comments on the wage and price standards.
 - ° Schultze - general economic indicators.
3. Your comments and reaction to the Democratic Mid-Term Convention

THE WHITE HOUSE
WASHINGTON

December 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Alfred E. Kahn

Fred

SUBJECT: Proposed statement to the Cabinet,
Monday, December 11, on inflation policy

I am very concerned about recent comments to me by some members of the business and labor community that Federal agencies pay insufficient attention to the inflationary effects of their proposed actions. They see a business-as-usual attitude on the part of many agencies, and an apparent insensitivity to the increased economic costs of their actions. At a time when inflation is hurting us all, these costs should be no greater than necessary.

I want each of you to instruct your staffs to give the heaviest possible consideration to the inflationary effects of everything they do, consistent with their statutory responsibilities. I made the objective of cost-effective regulation one of the highest priorities in my Executive Order on Improving Government Regulation, and I feel even more strongly about it today. I want each of you to assume a personal responsibility to identify every action or proposed action by your agency that will tend to contribute to inflation, and to do everything you can to reduce or eliminate the excessive costs of the actions taken in your department.

I have asked Fred Kahn to serve as my watchdog and coordinator of this effort. I have instructed him to identify any and all governmental actions that contribute to inflation and to take them up directly with each of you. If he is not satisfied with the resolution of a problem, I have asked him to report directly to me so that we can discuss it with you.

THE WHITE HOUSE
WASHINGTON

Mr. President -

It would be very
helpful to the Califans if
you would mention the
Combined Federal Campaign
(which he chairs). He would
like to make a brief
comment -

Jack

1979 COMBINED FEDERAL CAMPAIGN

EXECUTIVE DEPARTMENTS

STATUS REPORT - DECEMBER 8, 1979

<u>DEPARTMENT</u>	<u>\$ Raised Last Year</u>	<u>Goal for '79 CFC</u>	<u>Percent Increase In Goal</u>	<u>\$ Raised To Date</u>	<u>Percent of - Goal Attained</u>	<u>Shortfall From Goal on 12/8/78</u>
Agriculture	\$ 459,677	\$ 555,555	21%	\$ 501,316	90%	\$ 54,239
Commerce	662,210	700,000	6%	700,251	100%	-
Defense	3,070,122	3,300,000	7 1/2%	3,188,665	97%	111,335
Energy	252,624	400,000	58%	330,690	83%	69,310
HEW	786,136	930,000	18%	839,693	90%	90,307
HUD	148,898	165,000	11%	161,919	98%	3,081
Interior	296,785	327,595	10%	288,423	88%	39,179
Justice	263,865	317,300	20%	291,541	92%	25,759
Labor	219,402	253,000	15%	238,049	94%	14,951
State	340,401	340,000	n/c	268,002	79%	71,998
Transportation	461,401	491,450	6 1/2%	439,608	89%	51,842
Treasury	560,720	603,500	7 1/2%	558,822	93%	44,678
<hr/>						
TOTAL	\$7,522,465	\$8,383,400	12.4%	\$7,806,979	93%	\$576,421

12/9/78

THE WHITE HOUSE
WASHINGTON

09 Dec 78

Stu Eizenstat

The attached is forwarded to
you for your information.
(It has been reviewed by CEA).

Rick Hutcheson

KAHN'S-PROPOSED STATEMENT to the ~~Pres~~
CABINET, DEC 11

1

THE WHITE HOUSE
WASHINGTON

11 Dec 78

Hugh Carter

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

Phil Wise

THE WHITE HOUSE
WASHINGTON

12/5/78

Mr. President:

Phil Wise concurs with Hugh.

Rick

THE WHITE HOUSE
WASHINGTON
December 4, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HC*
SUBJECT: Acquisition of Armored Vehicles

The Secret Service has requested approval to acquire four (4) additional armored vehicles in FY 1980.

These are sedans (as opposed to the parade limo you approved in October) which will be prepositioned around the country. At present armored vehicles are positioned as follows:

Washington, D. C. Area

Presidential Protective Division (including family members)	6
Vice Presidential Protective Division	2
Dignitary Protective Division	3
Protective Vehicle Division	4

Outside Washington, D. C. Area

New York City	3
Chicago	2
Miami	1
Plains	1
Honolulu	1
Ford Protective Division	1
Nixon Protective Division	1
Los Angeles	2 > <i>Don't</i>
San Francisco	1
Houston	1

TOTAL

29

The four new cars, if approved, would have planned positions in Atlanta, Boston, Dallas and Denver. They would cost an average of \$79,000 per car.

The Secret Service strongly recommends that you grant approval for these additional vehicles. The primary justification they give is as follows:

- (1) Armored vehicles are used not only for the President and the Vice President, but for numerous protectees, including the First Lady, visiting heads of state/governments, major presidential candidates and former Presidents. In FY 78 alone, the Secret Service protected 128 foreign guests visiting this country, many of whom were from major world powers and/or were controversial figures and many of whom were potential targets for terrorists.
- (2) In 1977 the armored vehicle acquisition program called for the purchase of 16 fully armored vehicles. However, this was cut to 6 fully armored and 3 partially armored vehicles. This resulted in vehicles not being placed in cities where they were and are needed.
- (3) The Secret Service feels the pre-positioning of armored cars is cost effective when compared to the present system of transporting them by truck. Of course this depends on how many times a vehicle has to be transported to a city versus the cost of locating a vehicle in that city. Using data they furnished to me and present value analysis techniques, I have determined that at the present time placement of armored cars in Atlanta, Dallas and Denver is cost-justified. Placement of one in Boston is not cost-justified.
- (4) There are now, and will be in the future, occasions where armored vehicles are not available for major protectees. The acquisition of four vehicles now will help them greatly minimize these situations.

-3-

In a memo to the Director of the Secret Service dated January 21, 1977, you stated, "I understand you are now, or shortly will be, able to pre-position suitable security vehicles at various key locations in the United States, and that the use of these cars will reduce the frequency of transporting vehicles by airplane. I expect you to continue to expand that program, but do not purchase additional vehicles without prior approval from me."

I recommend that you approve the acquisition of three armored vehicles. One each for placement in Atlanta, Dallas and Denver. I also recommend that you disapprove the acquisition of one for Boston and allow needs there to continue to be filled by vehicles transported in.

	<u>Approve</u>	<u>Disapprove</u>
Armored vehicle for Atlanta	<u>✓</u> *	_____
" " " Boston	_____	<u>1</u> *
" " " Dallas	<u> </u> *	_____
" " " Denver	<u> </u> *	_____

*Recommend

*either one
all -
Two approved
J*

ID 786060

THE WHITE HOUSE

WASHINGTON

DATE: 04 DEC 78

FOR ACTION: FRAN VOORDE

PHIL WISE

INFO ONLY:

SUBJECT: HUGH CARTER MEMO RE ACQUISITION OF ARMORED VEHICLES

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM WEDNESDAY 06 DEC 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

One change - see memo

THE WHITE HOUSE

WASHINGTON

December 4, 1978

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delete it possible, not a major item

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San Francisco	1
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TOTAL

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	<u>Approve</u>	<u>Disapprove</u>
Armored vehicle for Atlanta	_____ *	_____
" " " Boston	_____	_____ *
" " " Dallas	_____ *	_____
" " " Denver	_____ *	_____

*Recommend

8.
----- THE WHITE HOUSE
WASHINGTON



11 Dec 78

Jerry Rafshoon

The attached was returned in
the President's outbox and
is forwarded to you for
appropriate handling.

Rick Hutcheson

Jody Powell



THE WHITE HOUSE
WASHINGTON

12/11/78

Mr. President:

Phil says this interview could be scheduled after January 8.

Jody Powell "agrees in principle," but observes that Joe Kraft talked with you a few days ago. "Why not see what the result of the talk was."

Rick

THE WHITE HOUSE
WASHINGTON

December 6, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON *Jerry*
SUBJECT: Joe Kraft Interview

I had a call from Joe Kraft requesting a 20-minute interview with you.

In fact, he said that you told him when he attended your dinner that he could get on the list.

Be that as it may, I think it would be a good idea. He is just back from Iran. In view of the volatility of that situation, it would help us when things look bleak for him not to dump on you (and to feel he gave you his views). He has just turned in 20,000 words on Iran to the New Yorker. But the main thing he wants to talk about is inflation and how your efforts set you apart historically from other presidents. Read his recent column on this subject.

I think this is one that, although distasteful in the past, could be a good opportunity for us now. He would do it anytime in December or early January (pre-State of the Union address).

_____ Approve

_____ *✓* Disapprove

J

Joseph Kraft

No Mandatory Controls

Mere arithmetic suggests that Phase II of President Carter's anti-inflation program will yield to Phase III. But does it follow as the night the day that, because Phase II features voluntary controls on wages and prices, Phase III will bring in mandatory controls?

Many people think so. Liberals argue that the voluntary program won't work and that when failure becomes clear the only alternative will be direct controls. Conservatives claim the Carter administration itches to interfere with the private sector anyway and won't miss this opportunity.

But the content of policy, as distinct from the arithmetical metaphor, points in the other direction. Far from seeking to control the economy, the Carter administration differs from recent Democratic predecessors in wanting to achieve public policy objectives by widening the options open to the private sector. Even if Phase II doesn't work, the signs will be ambiguous and there are many steps available to the administration before direct controls.

Consider first the four elements making up Phase II of the anti-inflation effort. The centerpiece is the voluntary guidepost program on wage and price increases. The aim of the guideposts is to give business enough muscle in dealing with labor so that the next round of wage increases can be held around 7 percent annually.

The guidepost program also affords some leeway to labor. It lies in the real wages insurance guarantee. That would give tax rebates to workers to make up the difference, if any, between a 7 percent wage hike and the annual rise in the consumer price index. So, far from controlling business and labor, the administration merely widens their opportunities to play roles more consistent with the public interest in stopping inflation.

The second feature of the program is budgetary stringency, particularly in the welfare field. By cutting government spending, the president, rightly or wrongly, implicitly passes on to the private sector responsibility for those who have traditionally been the wards of federal programs.

The third feature of the program is a commitment to support the dollar with high interest rates and a slush fund of some \$30 billion. That commitment was forced upon the administration by complaints from financial markets that the

sinking dollar destroyed confidence and impaired investment. So the administration has reversed itself, and is now propping up the dollar to create a climate for more activity by the private sector.

Fourth, and least noticed, there is deregulation. The administration is not merely promoting more competition in the trucking and railroad industries and in airlines. It also means to dismantle some of the environmental and safety controls applied by previous administrations. The aim, once more, is to lift burdens from the private sector, and give business a chance to show its stuff.

The sum of these measures presents a powerful showing of the president's commitment against interference in the marketplace. Indeed the preference for letting a disencumbered private sector achieve public policy objectives is perhaps the historic mark distinguishing this administration from past Democratic regimes. In any case it seems clear that Carter went to voluntary controls precisely in order to get a handle on inflation without having to go to mandatory controls.

The present policy may, of course, fail. In particular it seems doubtful that the big wage contracts can be held precisely at the 7 percent level. But the end results are bound to be cloudy, and there will be obscure differences between say the teamster contract, which comes up first, and the auto worker and rubber worker negotiations, which come later. No one will really be clear as to whether the policy has succeeded for many, many months.

Even if failure is evident, moreover, there are lots of alternatives remaining to the president. For example, suppose that, as many fear, high interest rates required by the commitment to support the dollar generate a recession in 1979. The president could then come back in 1980 with an appeal for stimulus by a tax cut. Which is not exactly bad political medicine for an election year.

What all this says to me is that those who predict mandatory controls on wages and prices are dead wrong. The president is going the other way. Phase III can turn out to be many things, including even a recession, but one of them is clearly not mandatory controls on wages and prices.

ID 786105

THE WHITE HOUSE

WASHINGTON

DATE: 06 DEC 78

FOR ACTION: JODY POWELL

FRAN VOORDE

PHIL WISE

INFO ONLY:

SUBJECT: RAFSHOON MEMO RE JOE KRAFT INTERVIEW

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM MONDAY — 11 DEC 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

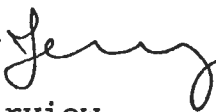
would have to be after 1st
of the year
fran

THE WHITE HOUSE

WASHINGTON

December 6, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON 
SUBJECT: Joe Kraft Interview

I had a call from Joe Kraft requesting a 20-minute interview with you.

In fact, he said that you told him when he attended your dinner that he could get on the list.

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_____ Approve

_____ Disapprove

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Consider first the four elements making up Phase II of the anti-inflation effort. The centerpiece is the voluntary guidepost program on wage and price increases. The aim of the guideposts is to give business enough muscle in dealing with labor so that the next round of wage increases can be held around 7 percent annually.

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The second feature of the program is budgetary stringency, particularly in the welfare field. By cutting government spending, the president, rightly or wrongly, implicitly passes on to the private sector responsibility for those who have traditionally been the wards of federal programs.

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ID 786105

THE WHITE HOUSE

WASHINGTON

DATE: 06 DEC 78

FOR ACTION: JODY POWELL

FRAN VOORDE

PHIL WISE

INFO ONLY:

SUBJECT: RAFSHOON MEMO RE JOE KRAFT INTERVIEW

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM MONDAY 11 DEC 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:


It could only be scheduled after Jan 8—

THE WHITE HOUSE

WASHINGTON

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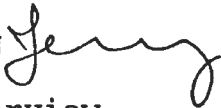
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THE WHITE HOUSE

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December 6, 1978

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THE WHITE HOUSE
WASHINGTON

JCC nominees - Seres
Fair day bill ready
- rate increase

Trade consultation
needed. Transfer 3/31

Fair fuel
Trade rate bureau
+ partial

White House Press. Glenn Watts

THE WHITE HOUSE
WASHINGTON

Cabinet 12/11/78

- > DMC - John White
- > Alfred Kahn - inflation
- > - Real wage and Jack Country
- > Suarez-Villa - Southern Africa
- > ^{Regional} Jackson - Linnik
- > Westinghouse - Nigeria
- > Economic conf. with the labor
- > Iran
- > S. & East
- > Namibia - do in the re. to the military
- > Nicaragua - 150,000 Lebanese 1000
- > ³⁵⁰⁰ Cuban / 10,000 refugees - need long
- > '80 budget - new ok - recon forecast?
- > D-2 lands
- > ^{h. 1} what budget
- > mines
- > Econ assessment
- > Unilateral
- > 12/21
- > NATO New Rts: AWACS

THE WHITE HOUSE
WASHINGTON

December 11, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ *BL*

RE: Pending litigation attacking the validity
of the Wage-Price Guidelines, particularly
with reference to federal procurement policies

In his oral report at the Cabinet Meeting, Alfred Kahn did not mention this matter. I do not know if you are aware of it or its imminence, and therefore am giving you this general report for the purpose of alerting you to this threat.

Last week we became aware of the suit filed in the United States District Court in Oregon by the "Association of Western Pulp and Paper Workers" against Alfred Kahn, et al. After preliminary inquiries both with the Department of Justice and CWPS, I concluded that:

1. Although a legal test of this anti-inflation action obviously is anticipated, both the factual situation upon which this suit is based and the background of the United States District Court Judge who will decide the case, strongly suggested that this certainly was not such a test case as the Administration would prefer for such a vital test.
2. That, although the Justice Department has recognized the importance of the case by assigning several of its top attorneys to handle it, the cooperation and coordination between "lawyer" and "client" seem to be quite inadequate.
3. That this case likely will be decided, at least as to a temporary injunction, within a very few days, and that an adverse ruling at this stage, even if appealed promptly, could have a devastating psychological effect upon the entire anti-inflation effort.

Therefore, in cooperation with Stu Eizenstat, I convened the Justice Department attorneys with Fred Kahn and CWPS' attorney, Peter Lowery, on Friday. Hopefully this has brought about a maximum, coordinated effort on the part of the responsible persons to give the proper intensive attention to this suit.

I do not think that any action on your part is necessary relative to this matter, but I felt it important to alert you to the situation.

ID 786174

THE WHITE HOUSE
WASHINGTON

DATE: 11 DEC 78

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT

STU EIZENSTAT

JODY POWELL

JERRY RAFSHOON

LANDON BUTLER

ALFRED KAHN

SUBJECT: LIPSHUTZ MEMO RE PENDING LITIGATION ATTACKING THE
VALIDITY OF THE WAGE-PRICE GUIDELINES, PARTICULARLY WITH
REFERENCE TO FEDERAL PROCUREMENT POLICIES

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE
WASHINGTON

11 Dec 78

Stu Eizenstat

The attached was returned
in the President's outbox
today and is forwarded to
you for appropriate handling.

Rick Hutcheson

~~Original memo back to Stu~~

Original memo for Distribution from
Stu back to stu, copy attached.

THE WHITE HOUSE
WASHINGTON

December 6, 1978

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Proposed Presidential Review Memorandum
Regarding Postal Electronic Communications
Policy

I have attached a proposed Issue Definition Memorandum prepared by the Commerce Department and the Domestic Policy Staff designed to generate an Administration position on the involvement of the U.S. Postal Service in electronic communications. We propose that I chair an interagency coordinating committee which would establish the policy.

Three issues would be addressed:

- o The benefits of USPS involvement in electronic communications and the costs of government competition in an industry in which much of the participation has previously been restricted to private competition. ✓
- o The impact of electronic communications on postal operations and revenues and the overall economic impact of a USPS investment in an electronic system. ✓
- o The options for interconnection between the USPS physical network and the electronic message industry. ✓

We propose that the study take no more than three or four months in order that it may be completed early in the 96th Congress and reflect the Administration position on any postal legislation that might be introduced after the Session begins.

The following departments and agencies may be able to provide particular assistance and differing viewpoints in their respective areas:

Department of Agriculture - the rural environment
Department of Commerce - industry data and development
Department of Justice - competition and antitrust
Department of Labor - labor data and impact

Department of the Treasury - electronic funds
transfer
U.S. Postal Service - postal involvement in
electronic communications
Office of Management and Budget - Postal Service
budget
NASA - technological advances
Council of Economic Advisers - influence of
communications on the economy
Council on Wage and Price Stability - pricing
and competition

A draft of the issue definition memorandum was circulated to the departments and agencies listed above for their comment. Their recommendations have been incorporated. The FCC and the Postal Rate Commission are currently involved in proceedings to determine their appropriate jurisdiction over some of these issues and have informed me that it would be inappropriate for them to express views on this or related matters. FCC Chairman Ferris has indicated, however, that any official determination or decision reached by the FCC which pertains to matters within the Committee's concern will immediately be brought to the attention of the Inter-agency Coordinating Committee.

Bob Lipshutz, Frank Moore, Jim McIntyre and I recommend that you approve the circulation of the attached issue definition memorandum. Other senior staff members have expressed no objection.

DECISION

 ✓ Approved

 Not Approved

2

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE CHAIRMAN, COUNCIL OF ECONOMIC
ADVISERS
THE DIRECTOR, COUNCIL ON WAGE AND
PRICE STABILITY
THE DIRECTOR, NATIONAL AERONAUTICS
AND SPACE ADMINISTRATION
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
THE POSTMASTER GENERAL

FROM: STU EIZENSTAT

SUBJECT: Issue Definition Memorandum: Postal
Electronic Communications Policy

Purpose of the Study

The United States Postal Service, in order to modernize its service and to provide for the transmission of messages that are suitable for delivery in hard copy form as economically as possible, is beginning to introduce electronic message communications into its service offerings. Concern about the proper relationship between this agency and the private electronic carriers has been raised in recent Congressional testimony on House and Senate Bills, H.R. 7700 and S. 3229. Therefore the President has commissioned a study, through the Domestic Policy Review System, to establish an Administration position concerning whether and to what degree the Postal Service should be involved with electronic communications. Resolution of this issue has significant impact on the future of the Postal Service, including its fiscal requirements. Just as important, it may affect overall

telecommunications development, since it is not clear that the entrance of the Postal Service, an independent agency, into the electronic communications industry is consistent with the trend in telecommunications toward increased private sector competition and diversity of services and suppliers. Clearly, therefore, this is a national policy issue to be resolved in light of the nation's total communications needs and opportunities.

It is not possible for this short-term study of the issues to project comprehensive solutions to the problems arising as a result of evolutionary changes in communications. This study is directed toward an Administration policy that will provide a clear direction for needed Congressional action to define the role, if any, that the Postal Service should play in this area.

Coordination

The President has therefore directed that the relationship between the Postal Service and the electronic communications industry be studied through the Domestic Policy Review System. A coordinating committee, chaired by the Assistant to the President for Domestic Affairs and Policy and consisting of the addresses, will address the issues necessary to establish an Administration position. The lead agency shall be the National Telecommunications and Information Administration of Department of Commerce, with primary overall assistance from the Postal Service, and supporting assistance from the Departments and Agencies to whom this memorandum is addressed.

All agencies are asked to cooperate fully in providing information and data requested for this study. This may include economic, technological, demographic and labor data and studies; and studies and reports concerning the plans, research, development and operations of communications services, systems, equipment, and facilities within and outside the Federal Government, including those of the Postal Service. Because of the short time available for this study, data (where possible in machine readable form), information, and Agency assistance must be made available without delay.

Issues

The issues to be addressed in this study shall include:

- The possible future benefits to the nation of Postal Service involvement in electronic message services and the potential costs to the nation of establishing Postal Service competition in an industry that has previously been restricted to private competition;
- The impact of electronic communications on postal operations and revenues (both with and without USPS electronic services) and the overall economic impact, including potential reduction in postal costs, of a USPS investment in an electronic system; and
- The options for interconnection between the postal service physical delivery network and the electronic message industry.

In addition to governmental positions on issues, cooperation will be sought from industry and other interested parties.

Schedule

The first meeting of the Coordinating Committee will be on December 13, 1978 at 11:00 a.m., in Room 208, Old Executive Office Building. (Please call Bob Malson of my staff at 456-2135, by close of business Tuesday, December 12, and indicate the name of the individual or individuals who will be representing your department or agency.)

Other meetings will be convened as work progresses.

Draft Presidential Review Memorandum for consideration by the Committee--February 22, 1979.

Presidential Review Memorandum--March 15, 1979.

9
THE WHITE HOUSE
WASHINGTON
11 Dec 78

Stu Eizenstat

The attached was returned
in the President's outbox
and is forwarded to you
for appropriate handling.

Rick Hutcheson

Landon Butler

THE WHITE HOUSE
WASHINGTON

Done
J

MR. PRESIDENT:

Steve Schlossberg of the UAW is at Duke University Hospital in Durham, spending several weeks there in a heart attack avoidance program. He has had several heart attacks and he is a prime candidate for another one. *good*

I think a call to him would mean a lot to him and in turn to Doug Fraser.

Stu
Stu Eizenstat

7 Dec 78

Doug Fraser good
Glenn Watts good

11:00

THE WHITE HOUSE

WASHINGTON

December 7, 1978

MEETING WITH NAACP BOARD OF DIRECTORS

Monday, December 11, 1978
11:00 am
Roosevelt Room

FROM: Louis Martin

I. PURPOSE

The NAACP Board of Directors, led by Benjamin Hooks, President, and Mrs. Margaret Bush Wilson, Chairperson, wish to discuss current civil rights issues and new priorities. They are specifically interested in the new judgeships and the funding of the civil rights programs. A copy of the NAACP draft statement is attached.

II. FORMAT

Stu Eizenstat and Robert Lipshutz will give a brief overview of the Administration's policies and programs that have some civil rights significance. President-11:30 am.

III. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background

The NAACP is the largest civil rights organization. It has 435,000 regular dues paying members in 1,700 branches. Its college and youth chapters have recently added 175,000 members.

B. Talking Points (Attached)

C. Participants

Benjamin L. Hooks
Margaret Bush Wilson
William Oliver
Dr. Broadus Butler
Kelly Alexander
Jesse Turner

Max Delson
Clarence Mitchell
Althea Simmons
Dr. Montague Cobbs
Darcell Moorefield

Administration participants will be Eizenstat, Lipshutz, and Martin.

D. Press Plan

There will be a photo opportunity for the White House Press at 11:30 am when the President arrives.

NAACP WORKING DRAFT STATEMENT - MEETING WITH PRESIDENT CARTER

(Opening Comments)

Mr. President, we thank you for this opportunity to meet with you in behalf of the National Association for the Advancement of Colored People and its half million members. We are heartened by your demonstrated commitment to promoting standards of equality throughout the country without regard to race, religion or national origin and to the furtherance of our nation's human rights policy.

We commend you for your leadership in consolidating vital civil rights functions in the employment field in Reorganization Plan No. 1. This action should greatly strengthen job anti-discrimination enforcement.

Your concern in easing urban problems has been noted in the Administration's proposals and the Executive Orders issued last August to put Federal buildings in urban areas; directing all Federal agencies to buy more goods and services from high unemployment rate areas of the country; the creation of a much-needed Interagency Coordinating Council and the Order which would have the effect of assessing the impact of legislative proposals to ensure the avoidance of inadvertent damage to downtown areas in the cities.

These Executive Orders will undoubtedly have a profound corrective effect on many of the problems which trouble our cities. We are consciously aware that this "stroke of the pen" action, at the time, was significantly courageous in view of the difficulties experienced in the Congress on some of the Administration's legislative proposals.

Your backing of the Panama Canal Treaty which, we feel, is key to improving relations between our country and our Latin American neighbors and your support of the extension of time for the ratification of the Equal Rights Amendment has not gone unnoticed.

We especially want to commend you for your full support of Home Rule for the District of Columbia. This act of leadership will be extremely helpful in insuring, in the foreseeable future, representation, with full voting power, for the District's citizenry.

Mr. President, I am sure you are aware that we came not only to praise you, but to express our concerns regarding some unfinished tasks. We acknowledge the passage of the Hawkins-Rumphrey legislation in the last session of the Congress albeit in a weakened version. This legislation must be strengthened if we are to come to grips with the problems of unemployment.

One of the most important questions for us at this time is whether your austerity program for curbing inflation will have a chilling effect on domestic programs involving civil rights and the problems of the cities. If the economists are accurate in their forecasts regarding a reduced growth rate and there is a one per cent rise in unemployment during 1979, we would not want the negative impact on the economy to fall disproportionately on black people. We too, favor a curb in spiraling inflation, but we do not believe that blacks and the poor, the perennial victims of changes in the nation's economy, should bear the major burden. We would urge, Mr. President, that long neglected civil rights programs administered by EEOC, HEW and other agencies, be exempted from any cuts.

The Equal Employment Opportunity Commission programs, of course, must have additional personnel if there is to be adequate implementation of the duties required of it under Reorganization Plan No. 1. The Department of Health, Education and Welfare is under a Court Order (Adams v. Califano) to eliminate a backlog of civil rights complaints. It will be impossible for HEW to comply with the court order if a freeze is applied to monies already authorized by Congress.

Another area of concern has to do with recently passed legislation which authorizes additional Federal judgeships. We strongly urge, Mr. President, that every effort be made to avoid the appointment of those persons who are opposed to civil rights. We also urge that a system of selection of judges be used that will insure that an adequate number of blacks are nominated and confirmed.

The increasing complexity of civil rights enforcement as evidenced by conflict over pupil transportation, affirmative action and other positive programs demands that this country be educated and re-educated on the true meaning of affirmative action since all of us have a responsibility to help remove the effects of discrimination and ensure equal opportunity for all Americans. We would urge you, Mr. President, to convene a national civil rights conference in 1979 for the purpose of reaffirming the nation's commitment to the fulfillment of rights of all Americans and to offset negative propaganda now being used to discredit bona fide efforts to achieve full equality under law.

The NAACP reaffirms its continuing concern regarding Senate Rule 22. Although this is a matter largely in the domain of the Senate, we believe that Administration support for a change could do much to convince the country that this is a matter of highest priority.

Another matter of concern is the persistent efforts to undermine legislation implementing Title VI of the 1964 Civil Rights law as it relates to pupil transportation and affirmative action. We would urge you to call upon the Congress to halt such retrogressive action, and make it clear that if such destructive action continues that legislation containing restrictions will be vetoed. We would urge you to go yet another step, that is, to make it clear that if your vetoes are overridden, such restrictions will be officially opposed in the court on constitutional grounds by the U. S. Department of Justice.

Finally, various civil rights groups are preparing legislation for improving enforcement of the existing Fair Housing legislation. We urge the Administration to give leadership in this area by consulting with such groups and proposing a bill to strengthen fair housing enforcement.

(Closing Comments)

TALKING POINTS

The past two years have seen the most concentrated legislative and administrative activity in the Civil Rights field since the 1960's. Among the major accomplishments:

- . Wilmington Ten - The Justice Department filed an amicus brief in the Wilmington Ten Case by Drew Days, Assistant Attorney General for Civil Rights.
- . The Omnibus Judgeships Act of 1978- This law will increase the number of federal judges by nearly 30%, providing an opportunity to correct the historic underrepresentation of minorities and women on the bench.
- . The Civil Rights Reorganization-The Equal Employment Opportunity Commission has broader enforcement responsibilities for the overall coordination of federal anti-discrimination efforts. Efforts to increase equal opportunity and affirmative action provisions in contracts has been consolidated in one office in the Labor Department, rather than in 13 different agencies.
- . Bakke-The Administration filed an amicus brief in support of affirmative action programs, and following the decision, directed the departments to continue vigorous implementation of affirmative action programs.
- . Appointments- Presidential and discretionary appointments of minorities in the past two years have far exceeded previous numbers.
- . District of Columbia Representation- The proposed constitutional amendment to establish full voting representation in Congress for the District of Columbia was passed and sent to the states for ratification.
- . ERA Ratification Extension - Congress approved an extension of the deadline for ratification of the Equal Rights Amendment.

THE WHITE HOUSE
WASHINGTON

12/11/78

rick--

don't know, but would
think attached may have
come in from first lady
during luncheon last week

--susan

A handwritten signature in black ink, appearing to be 'file' written in a cursive, stylized script.

HELLMUTH W. SPROEDE

BERLIN 19
SENSBURGER ALLEE 15A
TELEFON 304 1808

Aug. 11, 1978

Dear Mr. President!

My wife and I had the great pleasure to participate
in the Friendship Fourie trip to Washington D.C. and
truly enjoyed marvelous days there

We experienced great hospitality and warm welcome
and made new friends

We particularly want to thank you Mr. President & Mrs. Carter
for taking the time to welcome us in the plane.

I think to speak for everyone that we all feel very honored.
For your idea of "Friendship Fourie" best wishes and
continued success to you Mr. President & Mrs. Carter
and everyone who made this program possible, and
enabled new possibilities of friendship.

Sincere Greetings from Berlin!

Yours Josephine & Hellmuth Sproede.

THE WHITE HOUSE
WASHINGTON

December 6, 1978

TO: THE PRESIDENT

FROM: PHIL WISE *Phil*

Former President Ford will be in Washington
December 11 - 15 and is requesting an appointment with you.
He is planning a trip to the Middle East January 16 - 29 and
wants to discuss this with you. Zbig and Hamilton recommend
this meeting.

If you approve, I'll work out a 30-minute time.

✓ APPROVE

 DISAPPROVE

J

12/12 2:30pm

6168

8

THE WHITE HOUSE
WASHINGTON

11 Dec 78

Stu Eizenstat
Charles Schultze
Alfred Kahn

The attached was returned
in the President's outbox
today. It is forwarded to
you for appropriate handling.

Rick Hutcheson

Landon Butler

Phil WISE



THE WHITE HOUSE
WASHINGTON

12/11/78

rick--

i'm not certain top
memo from eizenstat/schultze/
kahn came through you....
i do know the butler comments
(also attached) did not due
to convention

-- susan

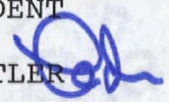
MEMORANDUM

THE WHITE HOUSE

WASHINGTON

BUTLER MEMO

MEMORANDUM TO THE PRESIDENT

FROM: LONDON BUTLER 

DATE: DECEMBER 7, 1978

SUBJECT: PROPOSED MEETING WITH GEORGE MEANY

I think the Memorandum from Stu, Charlie and Fred overstates the likelihood that the Administration can reach an acceptable accommodation with Mr. Meany on the inflation program.

The AFL-CIO believes that the seven percent wage standard is inflexible, that it is easily understood by the public, and that it will be eagerly enforced by every employer in the country. On the other hand, they believe that the price standard is so flexible that it is almost non-existent, that it is not understood by the public, and that enforcement of the price standard will be weak and ineffective.

Further Mr. Meany cannot possibly endorse our program as long as the outcome of the Oil, Chemical and Atomic Workers (OCAW) negotiations remain in doubt (the OCAW contracts expire in early January). OCAW is now seeking wage increases well in excess of seven percent; if OCAW ultimately settles within the guidelines, the chances for a better relationship may improve.

In short, relations between the Administration and the AFL-CIO are tense because of major substantive disagreements; we are not likely, in the near term, to be able to accommodate the AFL-CIO without wholesale modifications of our program.

I recommend that you hold open the possibility of a meeting with Mr. Meany later in the month, but that you ask Fred and Ray to meet with him first. Thus far, Fred has only spoken to Mr. Meany by telephone; it is entirely appropriate for him, along with Ray, to meet privately with Mr. Meany to discuss Mr. Meany's views on a range of issues. I think a meeting between you and Mr. Meany is more likely to be constructive if Fred and Ray have met with Mr. Meany first.

Above all, any discussions with Mr. Meany should be arranged by Secretary Marshall. Ray publicly has defended the Administration's program at the risk of his own relationship with labor leaders, and it would be very unfortunate if Reg Jones (or anyone else) begins to act as an intermediary between the Administration and Mr. Meany.

THE WHITE HOUSE
WASHINGTON

December 6, 1978

ok -
I agree to
Landon
C

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM: Stu Eizenstat *Stu*
 Charles Schultze *CLS*
 Alfred Kahn *Fred*

SUBJECT: A Meeting with George Meany

We have now received two separate, clear indications that George Meany would like an opportunity to discuss the anti-inflation program with you. One was conveyed to Stu by Reg Jones, whom Meany approached directly to raise this possibility. Reg said Meany had an extraordinary 30-minute talk with him and strongly indicated his desire to see you. The other Fred received as a result of some indirect inquiries he initiated about whether it might be desirable for him to try to meet with Meany himself.

Both sources agree that he would like to discuss with you the possibility of his giving his support to the program, provided it can be modified in two ways. The first would be to raise the low-wage exemption from \$4.00 to \$5.00. The other would be to convert the wage standard from a rigid 7% to something more nearly comparable to the price deceleration standard that applies to business.

In addition to these points, Mr. Meany told Reg Jones that he wanted to reconstitute the Labor-Management Committee and establish regular meetings between the Committee and you -- which would be a favorable development.

We three agree that it would be highly desirable for you, having received these indications, to take the initiative and invite Meany to a meeting at the White House. The present

tense situation is, we think, highly unfortunate. Whatever the validity of his assertions, it is unfortunate to have the leader of the country's largest labor federation feel, as he has indicated to several people, that the President has not fulfilled his one promise to him, namely, to be available to him whenever he asked. This was because of his inability to see you before the anti-inflation speech. It is unfortunate also, for him to be asserting, however unjustly, that he was not adequately consulted before these wage guidelines were promulgated. And it is unfortunate to have him in open public opposition to the program, and threatening, indeed, to testify in opposition to the real wage insurance plan.

We do not by any means recommend capitulation on the substantive issues. We particularly think the notion of substituting a deceleration formula for the present 7% wage guideline would be quite unacceptable, meaning as it would that workers who have had large wage increases in recent years would be permitted correspondingly large ones in the future, and conversely for workers who had done badly in the recent past.

At the same time, there is nothing sacrosanct about the present \$4.00 an hour low-wage exemption, where some upward adjustment would have little negative impact on the program and might buy considerable token goodwill. Also, as you know in the light of widespread criticisms by both business and labor leaders of the way in which the standards initially proposed would cover the increased costs of maintaining existing fringe benefits, we have been considering introducing some measure of flexibility in those computations. It is at least possible, therefore, that some accommodation could be reached which would keep the present standards essentially intact, while ensuring the very important (and at present lacking) support from the labor movement.

If you agree provisionally to see Mr. Meany, as we would strongly urge, we would of course engage in preliminary explorations about the possibility of reaching an acceptable accommodation, which we would bring back to you before making any kind of commitment. We are reluctant to begin those discussions, however, without knowing first whether you would be willing to see him at the ~~White House~~. Such a meeting might also help on the broader relationship but might be of particular help to the anti-inflation program at the very least in tempering the AFL's outspoken opposition.

oval office

- 3 -

We recommend that if you decide to hold this meeting, it be arranged through Ray Marshall, who has stoutly defended the Administration's position at the risk of his own relationship with Mr. Meany.

We recommend that the meeting be held before any guideline modifications are announced -- i.e., right away.

Agree

✓

Disagree

J

THE WHITE HOUSE
WASHINGTON

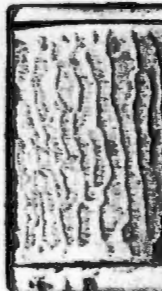
11 DEC 78

Arnie Miller

The attached was returned
in the President's outbox
today and is forwarded to
you for appropriate handling.

Rick Hutcheson

Tim Kraft



THE WHITE HOUSE
WASHINGTON

December 7, 1978

*Arnie - To
what extent are
Sarge/Eunice Shriver
& Special Olympics
represented?
JC*

MEMORANDUM FOR THE PRESIDENT

FROM:

TIM KRAFT *TK*
ARNIE MILLER *AM*

SUBJECT:

The President's Committee on
Employment of the Handicapped

The President's Committee on Employment of the Handicapped was established by Executive Order in 1962 to facilitate the development of maximum employment opportunities for the physically handicapped, mentally retarded and mentally restored. The Committee is composed of a Chairman and not more than four Vice Chairmen appointed by and serving at the pleasure of the President. Each Vice Chairman is responsible for holding regional meetings and working with various constituent groups. They should be people who are well known for their work with the handicapped. Last year you appointed Charles Pillard, International President of the International Brotherhood of Electrical Workers, as Vice Chairman.

The Chairman of the Committee since 1964 has been Harold Russell, of Waltham, Massachusetts. His expertise and leadership has made the Committee an integral part of the affirmative action programs for the handicapped. He travels extensively promoting opportunities for the handicapped. He is responsible for the dissemination of information concerning the employment and non-discrimination of handicapped individuals. We recommend that you reappoint him.

We recommend the appointment of two Vice Chairmen at this time:

Judith E. Heumann (Berkeley, California):
Deputy Director, Center for Independent
Living. Member of the Advisory Committee

for Architectural and Transportation Barriers Compliance Board; Trustee, United Way of the Bay Area; Board Member, American Coalition for Citizens with Disabilities. She is recognized nationally as an articulate and effective spokesperson for the needs and rights of the disabled. Highly recommended by Eunice Fiorito for her work with the Handicapped for Carter campaign.

Robert C. Sampson (Arlington Heights, Illinois): Vice President-Facilities and Property and Special Assistant to the President of United Airlines, Inc. Member of the American Bar Association; People-to-People International Committee for the Handicapped; National Board of Directors of the Muscular Dystrophy Association; National Advisory Committee to the Architectural and Transportation Barriers Compliance Board; and Mayor Bilandic's Advisory Committee on Human Resources. He has been highly recommended by Mayor Bilandic.

We have worked with Eunice Fiorito, David Webb, and other handicapped individuals from the campaign, as well as the Domestic Policy staff, who concur in the recommendations.

RECOMMENDATION:

Appoint Judith E. Heumann and Robert C. Sampson as Vice Chairmen of the President's Committee on Employment of the Handicapped.

_____ approve _____ disapprove

Reappoint Harold J. Russell as Chairman of the President's Committee on Employment of the Handicapped.

_____ approve _____ disapprove

RESUME

Name: Judith E. Heumann
Address: 2839 Telegraph Ave., Berkeley, Ca 94704
Date of Birth: December 18, 1947
Place of Birth: Philadelphia, Pennsylvania

EDUCATION:

October 1973 - June 1975

Master's in Public Health in Health Administration and Planning, the School of Public Health at the University of California, Berkeley.

September 1969 -
January 1970

Graduate course in Community Organizing at the Columbia University School of Social Work

June 1969

B.A. from the Long Island University, Brooklyn
New York Speech-Theatre.

AWARDS AND HONORS:

1973

Federal Traineeship in Policy Analysis and Program Evaluation.

1971

Who's Who in American Women

1970

Ruth Kurzon Award - Outstanding Disabled Person of the Year

1969

Who's Who in American Colleges and Universities

1969

Long Island University Service Award

1969

Forte Greene Community Service Award

1967-present

American Speech Honor Society

EMPLOYMENT EXPERIENCE:

January 1976 - present

Deputy Director, Center for Independent Living

June 1974 - December 1975

Legislative Assistant for Senator Harrison Williams, Chairman, Senate Labor and Public Welfare Committee. I originally came to Washington to fulfill my six month residency requirement for my master's degree. I was asked to remain on staff.

Summer 1973

Consultant for the International Society for the Rehabilitation of the Disabled. I was sent to Norway, Sweden, Scotland, and England to establish working relationships with disabled youth and to visit programs for the disabled.

September 1970 -
September 1973

Common Branch Teacher, Board of Education, City of New York. First year: taught physical education to disabled students. Second and third years: taught second grade, non-disabled students.

Summer 1971

Assistant Unit Head, Teenage Division Camp Jened, Hunter, New York (camp for the physically disabled). My responsibilities included developing programs. During the summer, support groups were established.

September 1969 - June 1970	Research Assistant, Long Island University - The University was intending to become more involved in the surrounding community. My responsibilities were to assess the needs of the community in relationship to the University. The eventual hope was to purchase a facility in the community which could begin to meet the assessed needs and to also utilize existing programs in the community at their optimum level.
September 1969 - June 1970	Instructor, Adult Education School, Long Island University
July - August 1970	Teacher, Upward Bound, Long Island University
July - August 1970	Co-organized and received funding for a summer community tutorial program for Fort Greene Youth.
September 1969 - June 1970	Coordinator Remedial Reading Program, New York State Department of Youth. Youth were primarily ages 16 - 25 former
October 1968 - June 1969	Student Liaison to the President's office at Long Island University.

PROFESSIONAL EXPERIENCE:

March 1974 - present	Co-chairman Advisory Board, Disabled Community Health Clinic, Herrick Hospital, Berkeley, Ca.
March 1974 - December 1975	Board of Directors, Center for Independent Living, Berkeley, California Organized community meetings, Membership Committee fund raising in Washington
January 1974 - June 1975	Member of Tuition Fees Committee - Physically Disabled Students Program
January 1974 - present	Associate Staff member (non-paid) Human Sexual Program, University of California, School of Medicine, San Francisco, California: <ol style="list-style-type: none"> 1. Completed 50 hours of training with the Sex Advisory and Counseling Unit 2. Responsible for a study on the gynecological needs of women with physical disabilities. Developing questionnaire to assess the needs of these women. Information to be utilized to help give additional training to doctors and other health professionals. 3. Worked with the coordination of the Sex and Disability R & D Project to develop programs on sex and disability for individuals with disabilities, professionals, and parents. 4. Speak as a regular panelist at Sexual Attitude Readjustment on Sex and Disability. 5. Panelist on Sex and Disability at Santa Rosa Junior College. 6. Sex consultant for eight week program at Franklin Rehabilitation Center, San Francisco 7. Will be speaking at programs in Sacramento University of California Medical Center and

January 1974 - present	Easter Seals; Planned Parenthood over the next two months.
October 1973 - June 1974	Member Advisory Board, Physically Disabled Students' Program, Berkeley, California.
March 1973-74	Consultant for development of group counseling and sex counseling programs to be run at Haste Street House, Berkeley, California.
October 1972 - present	Board Member, National Rehabilitation Association
October 1972 - February 1973	Alumni representative on Committee to Select President of Long Island University.
September 1972 - present	Member Advisory Board, Department of Special Education, Long Island University.
September 1972 - September 1973	Member of Steering Committee Policy and Action Conference, New York City.
September 1972 - June 1973	Board Member, Disabled in Coalition
August 1972	Delegate from the United States to the International Conference run in Australia by the International Society for Rehabilitation of the Disabled.
May 1972 - September 1973	Member New York State Advisory Legislative Committee on the Mentally and Physically Handicapped.
April 1972	Workshop leader for United Cerebral Palsy Association's State Conference (sexual needs and rights for the disabled).
March 1972-74	Member, NRA Consumer Task Force. Developed programs to involve individuals with disabilities in all levels of NRA. Spoke at National Conventions and Regional Meetings on consumer involvement in Arizona, Chicago, Puerto Rico, and Georgia. Presently planning mechanism for consumer on a national level to elect the next Consumer NRA Board Member.
Spring 1972 - Spring 1973	Organizer for National Civil Rights Work for Disabled. Programs consisted of organizing representatives from organizations around the country to come to Washington for meetings with legislators, and for civil rights marches. The program in 1973, was the first time that all national organizations run by the disabled openly supported and participated in these programs.
May 1971 - September 1973	Vice President of Alumni Association, Long Island University, New York.
October 1970 - present	Member of President's Committee on Employment of the Disabled. Spoke at National Committee Meeting in the areas of consumer involvement, rights of the disabled.
May 1970 - June 1973	President of Disabled in Action, Ltd. Disabled in Action is a civil rights organization run by and for the disabled. There are chapters in

May 1970 - June 1973

community involvement.

Duties: Spoke before parent groups, legislative hearings, professional organizations, and other community based groups; wrote articles for DIA reports in all of the above areas.

EMPLOYMENT EXPERIENCE:

January 1976- present

Deputy Director, Center for Independent Living. I administer a staff of eighty people. My responsibilities are to ensure effective day to day operations of the organization; work on developing training programs for professionals in the rehabilitation field; develop training programs for disabled individuals; work on fund-raising; oversee the organization's involvement in city, state, and federal legislative concerns.

PROFESSIONAL EXPERIENCE:

1976- present

Member of the Advisory Committee to the Architectural and Transportation Barriers Compliance Board (Section 502, Rehabilitation Act - HEW)

1976- present

Member of Steering Committee for the California State White House Conference on Handicapped Individuals

1976- present

Member of Relations Committee for the Commission on Rehabilitation Counselor Certification

1976- present

Member of the Board of Trustees, United Way of the Bay Area

1976

Co-author of Housing Issues paper for the White House Conference on Handicapped Individuals

April, 1976

Author of article on Disabled, A New Minority in the New York Daily News

1976- present

Executive Committee member, Board of Directors, American Coalition for Citizens With Disabilities

1975- 1976

Member of Board of American Coalition for Citizens With Disabilities

1974- 1975

Member of the Interim Board of American Coalition for Citizens With Disabilities

Over the past few months since I've been at the Center for Independent Living, I've been traveling in California and throughout the country talking with disabled persons and concerned professionals on the rights of persons who are disabled and how to establish independent living programs. This has included public speaking, television, radio, and newspaper interviews.

ROBERT G. SAMPSON

Born: March 4, 1925

Married with 3 children: Robert 27
Patricia 25
Kathleen 21

Residence: 22 South Regency Drive West
Arlington Heights, Illinois 60004
(312) 253-8673

Titles: Vice President - Facilities and Property
Vice President - Special Assistant to the President
United Airlines, Inc. (312) 952-5051

Native of Chicago. Attended Chicago schools, Loyola University in pre-law and graduated from DePaul University with Bachelor of Law Degree and Juris Doctor in 1947. Admitted to Bar, State of Illinois, January 12, 1948; also admitted to practice before Federal District Court, Circuit Court of Appeals and United States Supreme Court. Member of Delta Theta Phi Law Fraternity. Member of American Bar Association.

Employed by City of Chicago as Assistant Corporation Counsel and as Administrative Assistant to the Corporation Counsel, February 1948 to May 1956. From May 1956 to present at United Airlines, first as General Attorney until April 28, 1966 when elected Regional Vice President of Property. In 1971 he was elected Vice President - Facilities and Property for United Airlines, and in August, 1975 he was elected Vice President and Special Assistant to the President of United Airlines in addition to his responsibilities as Vice President - Facilities and Property.

Affiliated with President's Committee on Employment of the Handicapped; People to People International Committee for the Handicapped and its affiliate, Disabled Professionals (international organization for handicapped in the professional field). Appointed to special Advisory Subcommittee of the President's Committee on special problems of the handicapped. Member of Alexian Brothers Medical Center Board of Trustees. On the National Board of Directors of the Muscular Dystrophy Association. Member of Aviation Committee - Chicago Association of Commerce and Industry, Mayor Bilandic's Advisory Commission on Human Resources, Chairman of the Chicago Airlines Top Committee and Airlines Representative under City Revenue Bond Program operating O'Hare International Airport. Member of the National Advisory Committee to the Architectural and Transportation Barriers Compliance Board.

Confined to wheelchair since age nine with muscular dystrophy.

HAROLD J. RUSSELL
235 Bear Hill Road
Waltham, MA 02154
(617) 890-2698

HAROLD RUSSELL ASSOCIATES, INC.

1974 - Present President and Founder

PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

1963 - Present Volunteer Chairman
1961 - 1973 Vice Chairman
1948 - 1961 Member
1958 - 1961 Disabled Veteran's Committee

MASSACHUSETTS INDUSTRIAL ACCIDENT REHABILITATION BOARD

1950 - Present Member

AMVETS

1950 - 1951 National Commander (first re-election in history of organization).
1960 - 1960 National Commander
1973 - 1973 Silver Helmet Award (Rehabilitation)

WORLD VETERANS FUND (Fund Raising Arm of World Veterans Federation)

1950 - 1962 Vice-President
Major program was rehabilitation of disabled veterans and war-wounded civilians, carried out in 55 member nations.

NATIONAL ADVISORY COUNCIL - DEPARTMENT OF HEALTH, EDUCATION AND WELFARE (Social Rehabilitation Services)

1965 - 1968 Member
Dispensed approximately \$14 million a year for rehabilitation programs, services and research.

EASTER SEAL SOCIETY - NATIONAL ADVISORY COUNCIL

1968 - 1973 Member

1969 - 1973 GOODWILL INDUSTRIES OF AMERICA - NATIONAL ADVISORY COUNCIL

NEW ENGLAND VILLAGES

1972 - 1977 Board of Directors

THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED
Washington, DC 20210

Biographical Sketch

Harold Russell, Chairman

Harold Russell has served as Chairman of the President's Committee on Employment of the Handicapped since April 18, 1964. He was appointed Chairman by President Johnson and reappointed (on May 1, 1969) by President Nixon.

Before becoming Chairman, he served as Vice Chairman from 1962 to 1964, being appointed by President Kennedy.

The President's Committee, established in 1947, has the responsibility for promoting employment opportunities for the physically handicapped, mentally retarded and mentally restored. It is made up of more than 600 public-spirited citizen organizations and individuals representing all walks of life in America: business, labor, the professions, health, media, veterans', youth, women and others. Associate members include Cabinet officers and heads of major Federal agencies involved in serving the handicapped.

Russell, a voluntary Chairman, devotes a major portion of his time to President's Committee duties. He travels extensively promoting opportunities for the handicapped. He also is active in business. He is President of Harold Russell Associates, Inc., of 235 Bear Hill Road, Waltham, MA 02154, a firm which counsels government contractors on the establishment of affirmative action plans for hiring handicapped workers.

Russell, who lost both hands in a war-time training accident in the Army, skyrocketed to fame and became a national symbol of courage in meeting the challenge of disability when he was selected to portray the role of Homer Parrish, a handless sailor in the movie, "The Best Years of Our Lives." The role was largely based on Russell's own experiences in overcoming a handicap. For his performance he won two Motion Picture Academy "Oscars", one for the best supporting performance and the other for "bringing aid and comfort to disabled veterans through the medium of motion pictures."

The accident occurred while Russell, a sargeant and paratrooper instructor, was training troops at Camp Mackall, near Pinehurst, North Carolina, June 6, 1944. A defective fuse cap unexpectedly set off an explosive charge he was holding. The following day his shattered hands were amputated three inches above the wrists. Later he was transferred to Walter Reed Hospital in Washington, DC, where he was fitted with artificial limbs. Through ceaseless practice he became extremely proficient in the use of the hooks.

While undergoing rehabilitation at Walter Reed, he was selected to make a 20-minute Signal Corps motion picture, "Diary of a Sargeant." It was widely used in rehabilitating amputees. This film came to the attention of Samuel Goldwyn and led to the role in "The Best Years of Our Lives."

In 1949 Russell wrote an autobiography, "Victory In My Hands," which has been translated into 20 languages. It tells about his anguish during the long period of physical and psychological recovery after losing his hands.

Russell is a Past National Commander of AMVETS, having been elected in 1949, 1950 and again in 1960. He is the only National Commander of this organization to serve three terms. He has served as Vice President of the World Veterans Fund, Inc. and has traveled throughout the world, working with the World Veterans Federation, of which he was one of the organizers.

In addition, Russell has worked with the U.S. Treasury Department to spur the sale of Savings Bonds, The American Red Cross, the National Conference of Christians and Jews, the Anti-Defamation League of B'nai B'rith and the National Easter Seal Society. He has served (1966-68) on the National Council on Vocational Rehabilitation, and is now a member of the Massachusetts Industrial Accident Rehabilitation Commission, the Advisory Council of Goodwill Industries of America, the People-to-People Committee for the Handicapped Board and the Advisory Council of the National Easter Seal Society.

Russell has received many awards, including the honor of being chosen as one of the Ten Outstanding Young Men of 1950 by the U.S. Junior Chamber of Commerce.

Born in Sydney, Nova Scotia, January 14, 1914, Russell moved to Boston with his family at the age of six, following the death of his father, a telegraph manager. He attended public schools in Boston and nearby Cambridge, graduating from high school in 1933. He worked for a grocery chain and was a store manager before entering the Army in February, 1942. He volunteered for the paratroops and qualified as a paratrooper instructor and specialized in demolition and explosives. He made 51 jumps until the training camp explosion on D-Day in 1944.

The accident altered Russell's career. After completing his rehabilitation, Russell entered Boston University's School of Business Administration. But his studies were interrupted to make "The Best Years of Our Lives," to lecture to various audiences, and to court and win his wife, Rita. The Russells reside at Framingham, Massachusetts, and have two children, Jerry, a pilot with Eastern Airlines, and Mrs. Thomas Grover.

PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED, TH

Independent

AUTHORITY: Executive Order 11480, September 9, 1969
(Supersedes EO 10994 of February 14, 1962,
and EO 11018 of April 27, 1962)

METHOD: See below

MEMBERS: The Committee shall be composed of a
CHAIRMAN and not more than
FOUR VICE CHAIRMEN appointed by the President
&
of so many other members as may be appointed
thereto from time to time by the Chairman from
among persons (including representatives of
organizations) who can contribute to the achieve-
ment of the objectives of the Committee.

CHAIRMAN: Appointed by the President
VICE
CHAIRMEN: " " " "

TERM: . The CHAIRMAN and VICE CHAIRMEN appointed by th
President serve at the pleasure of the President.

The MEMBERS appointed by the Chairman shall be
appointed for a term of three years and may be
reappointed. The Chairman may at any time
terminate the services of any member of the
President's Committee, except any member appointed
by the President.

SALARY: All members serve without compensation. The Chair
and the Vice Chairmen may receive transportation an
per diem allowances as authorized by law for persons
serving without compensation.

Mr. President:

Alec Toumayoun will interpret
the 4:00 phone call in the Oval office.

Phil